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DEVELOPMENT OF DIRECT SELLING IN MARKETING

CONSUMER GOODS IN HONG KONG:

A CASE STUDY

by

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ABSTRACT

This thesis examines the development of direct selling in marketing consumer goods in Hong Kong and consists of two main purposes: to ascertain if the direct selling is an effective means to market consumer goods in Hong Kong and to foresee its future in local market.

After an examination of favorable factors and obstacles to the direct selling system, a particular firm is taken to exemplify the case of direct selling development. Its sales performance, philosophy and operating management are detailedly studied. The thesis also measures the performance of sales distributors and attempts to find out the most effective group of distributors in selling direct the consumer goods.

Finally, a conclusion is drawn. Direct selling is an effective means to market consumer goods on conditions that the target group of customers is identified and the firm's image is expanded through advertising means. The potential market for the consumer goods of personal care and home care products to be handled by direct selling sales distributors is HK\$26 million per month this year.

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1.0 INTRODUCTION

1.1 Retailing in the Business World

Marketing, defined as a process in a society by which the demand structure for economic goods and services is anticipated or enlarged and satisfied through the conception, promotion, exchange, and physical distribution of such goods and services,¹ has become more and more important in the business world since the late 1940's. Larger and larger burdens have been placed upon it to stimulate demand in order to maintain a high level of production, employment, and income and to provide for the distribution of the output of industry.

Retailing, on the other hand, defined as the final part of the marketing process in which the various functions of the seller, usually a store or service establishment, and the buyer, an individual consumer, are primarily oriented to accomplishing the exchange of economic goods and services, for purposes of personal, family, or household use,² also occupies a vital role within the complete marketing channel. It is a cross link between the manufacturer or wholesaler and the ultimate user. It is thus recognised as a specialized area of knowledge from the other marketing functions for purposes of study and research.

¹ William R. Davidson & Alton F. Doody, Retailing Management, Third Edition, (The Ronald Press Company, New York, 1966) p.6.

² Ibid.

Various types of retailing business have been developed.

Retailing can be traced from the meager beginning in the early fifteenth century at the trading post. At that time, currency was not used to make purchases. In the mid-eighteenth century, the trading post gave way to the general store which was operated on a cash basis and a wider type of merchandise. In the middle of the nineteenth century, there were so many varieties of goods produced that a specialization in retailing was necessitated. This gave rise to the limited line store which carried a wide variety of one classification of merchandise. This type of store still enjoys a place in retailing. The chain organisation, the first venture into large-scale retailing in the United States, began in the latter part of the nineteenth century. It is defined as two or more stores, similar in nature and having common ownership. Examples of chain organisation were: J.C. Penney Co., A & P, the food giant; and F.W. Woodworth Co.

The department store, a departmentalized retail store buying consisting of many limited line operations became popular at the end of the nineteenth and the beginning of the twentieth century. This institution presented an orderly arrangement of many types of merchandise and carried a wide variety of hard goods and soft goods. Another type of large departmentalized food store evolved in the late 1930's. In addition to the large variety of foodstuffs, this institution carried an abundance of miscellaneous items such as drugs, toys, men's, women's and children's accessories.

In order to serve those people unable to patronize the existing retail institutions, either because of their distance from the stores or their lack of time to buy in person, the mail order retailer began

to emerge in the late nineteenth century. Extensive catalogs were prepared and sent to customers. Montgomery Ward & Co. and Sears, Roebuck and Co. were early mail order houses.¹

For the past ten years, the trend in retailing has been personalized direct selling. This type of selling provides full-scaled customer service, including the creating of customer needs, demonstration, goods delivery and the handling of customer complaints.

1.2 Unique Features of Retail Business

Briefly reviewing the historical development of the retailing trade, it is seen that one of the unique features of marketing at the retail level is the nature of the consumers' motivation. The values sought by consumers tend to have a high psychological element, including matters such as knowledge, convenience, distinctiveness, assurance, timeliness, prestige or social appropriateness. This reflects the fact that the values being sought are not merely those of the physical product per se: they are in large part values contributed by the retailing organisation itself.

Another feature of retailing is that the consumer's purchases are usually in small quantities. This gives rise to a large number of transactions in terms of the sales volume of an establishment. A large supermarket, for example, may achieve weekly sales of US\$40,000, but it has to process some 8,000 separate customer transaction.

Many purchases are the result of impulsive reactions to a display of merchandise or to a persuasive speech of the salesman. A man

¹ Gerald Pirtel and Jay Diamond, Retailing, (Prentice-Hall, Inc., Englewood Cliffs, N.J., 1971), p. 2.

may have wanted to purchase a new suit for a long time. Once exposed to the one with which he is satisfied and can afford, he determines to buy it quickly.

Generally speaking, in the retailing business the consumer takes the active role in initiating the marketing contact. He visits the store and takes merchandise home. This results in the significance of the business location.

The factor of location can be modified substantially by new competition, the rerouting of a major road, or the deterioration of surroundings. Both the external and internal atmosphere of the store can contribute to the values sought or achieved in the consumer's buying process.

Time and place considerations in retailing are also extremely important in terms of customer service. Stores must be operated at hours that will serve the wants of its clientele. In addition, retailing is local. Store size, architecture, composition of the merchandise assortments and the nature of promotional effort are commonly adjusted to the local environment and to competitive circumstances which vary greatly from one city to another. Establishment of retail stores follows the moving trend of population. They boom wherever people are, and wherever suburbs are growing. They take the role of leading rather than following the market potential.¹

¹ see footnote 1, p.8

1.3 Recent Trend of Retail Business

Instead of putting much emphasis on the store, the current situation of retailing tends to move on to customer service. The picture ahead for business is pertinent to those business activities which are customer service oriented.

Since 1945, an increasing share of consumption has been committed to services. A continuation of this trend is even more apparent.¹ It is shown in the following table that over 42 cents of every dollar a consumer spends goes for services.

Table 1.1 highlights the effect of rising income in the United States on expenditures for selected consumer services, 47 per cent of total consumer spending will go for services in the 1980's, a 10.3 per cent increase over 1970. The general trend of consumer spending on both durable and non-durable goods is seen to be decreasing. The booming activities include the personal business services, transportation, the sector of education, welfare and religion, and the mass media. The greatest change in the foreseeable future will be the personal business services, which has seen a 48.7 per cent increase in 1970 over that in 1955, and a 25.9 per cent increase in 1980 over that in 1970. The service market is undoubtedly expanding. Those business activities pertaining to direct personal service will be assumed to play a vital role to the survival of the retail business.

Personal business services include all kinds of business activities which serve customers with direct personal service, such as

¹ Edwin C. Greif, Personal Salesmanship, New Concepts and Directions, (A Prentice-Hall Company, 1974) p. 13.

TABLE 1.1

SERVICES = THE HOT MARKET OF THE FUTURE¹

| Category | How Consumers Will Spend Their Money | | | |
|--------------------------------|--|-------|---------|-------|
| | 1955 | 1970 | 1980 | |
| Total Consumer Spending (Bill) | \$355 | \$615 | \$1,150 | |
| | % Distribution of Current-Dollar Total | | | |
| | | | | * |
| Consumer Services | 35.9% | 42.6% | 47.0% | 10.3% |
| Housing | 13.3 | 14.7 | 15.6 | 6.1 |
| Utilities, Communication | 5.5 | 5.9 | 6.0 | 1.7 |
| Medical, Health Services | 3.9 | 5.8 | 6.9 | 19.0 |
| Personal Business Services | 3.9 | 5.8 | 7.3 | 25.9 |
| Transportation | 3.2 | 3.1 | 3.5 | 12.9 |
| Education, Welfare, Religion | 2.2 | 3.1 | 3.6 | 16.1 |
| Recreation, Leisure | 1.7 | 1.6 | 1.6 | 0.0 |
| All Other Services | 2.2 | 2.6 | 2.5 | -3.8 |
| Nondurable Goods | 48.5 | 42.4 | 38.2 | -9.9 |
| Food, Beverages, Tobacco | 28.4 | 23.0 | 19.5 | -15.9 |
| Clothing, Shoes | 9.1 | 8.3 | 8.0 | -3.6 |
| Gasoline, Oil | 3.5 | 3.7 | 3.8 | 2.7 |
| Household Supplies | 3.8 | 3.4 | 3.1 | -8.8 |
| All Other Nondurables | 3.7 | 4.0 | 3.8 | -5.0 |
| Durable Goods | 15.6 | 15.0 | 14.8 | -1.4 |
| Automobiles and Parts | 7.2 | 6.4 | 6.0 | -6.2 |
| Furniture and Equipment | 5.4 | 4.7 | 4.5 | -4.2 |
| Radio, T.V. Sporting Goods | 3.0 | 3.9 | 4.3 | 10.3 |

* Percentage increase from 1970 - 1980

¹ Sales Management, "Services/Saving Spendings", June 10, 1970, Vol. 104, No. 13, pp. A18-A24.
 Data: Research Institute of America, 'The U.S. Business Climate: A Three-Decade Look Ahead.'

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those provided by door-to-door salesmen, counter salespeople and waiters.

Among the personal service businesses, direct personal selling, termed as door-to-door selling, plays an active part in creating customer needs, stimulating consumption and directing customer purchases. It leads the way in the market, as compared with those retail stores at a fixed location, which are passively waiting for customers.

Successful direct selling is credited to Avon Products, Fuller Brush, Watkins Products, Helene Curtis, Korvette and others.

Slogans of 'Avon calling', 'Welcome her when Avon is at your door-step', 'Make every lady Avon meets beautiful' symbolize the characteristics of Avon Products, Inc.. With over 150,000 independent sales ladies selling door-to-door over 170 items of cosmetics and toiletries, the annual sales volume of Avon has already exceeded that of Revlon since 1958¹ and reached the level of US\$200 million.² It is to enter into the Hong Kong market this year.

Helene Curtis, after acquiring Studio Girl Inc., Glendale, California in 1960, entered the direct selling business of cosmetics. It is now a famous cosmetic-manufacturer.

Fuller Brush Co., dealing with 'a better brush' and Watkins Products, Inc., selling encyclopedia britannica, have developed from the very basis of direct door-to-door selling. Their success is well awarded on the ground that they really hold the ear of the market -- consumer service.

¹ Forbes, 'Bells are ringing', 81:20, Feb. 1, 1958.

² Forbes, 'Marketing Knock-knock', 91:28, Feb. 1, 1963.

The growth of the direct selling business is not limited to the cosmetics products. Success is well justified by the direct selling of food products; books (Bibles, encyclopedias); housewares; appliances; greeting cards; cookware; wearing apparel; detergents and commonly used household chemicals; nursery stock; tableware; and dietary food supplements. Almost every kind of consumer product can be sold directly to the consumer.

1.4 Reasons for the Retail Business Trend

The reasons for the success of door-to-door selling are threefold ——— changes in the economy, in retailing, in buying habits.

Since World War II, the trend to self-service and semi-service has almost eliminated creative personal selling. The new and larger chain organisations, supermarkets or department stores have strict inventory policies so that a manufacturer must have real consumer acceptance before he can gain adequate shelf space for his product. Most often, the manufacturer has to persuade the logical outlets to handle his goods. In addition, many price structures have been subject to severe disrupting influences, such as discount houses.

During this same period, improved machinery and new plants have increased capacity. The break-even sales volume of most companies has risen substantially. Consequently, few manufacturers today can afford to give up any extra sales or logical market segments, provided that these can be attained without disrupting the existing distribution or disturbing the price structure. Moreover, both new and old firms frequently find that the struggle to introduce new products in normal retail channels is very expensive and difficult until consumer

acceptance has been established.

Population, since the end of World War II, has been increasing significantly. Urban areas are jammed with traffic, housing, and land scarce problems. The trend has been for the population move to the suburbs. Consumers are making fewer trips downtown and are showing a greater preference for purchasing in the home. The reasons for this include:

1. The convenience and comfort of buying in their own home.
2. The ease of making their own choice of the substantial variety of merchandise offered, at their leisure.
3. The value of trying things out under actual conditions of use. Will the vacuum cleaner pick up the dirt in the problem spots in my house?
4. The whole family can be consulted. Sales-people often plan to call back when the entire family will be home to inspect the product.
5. The desire and need for special service, advice and instructions about effective use. Few people like the self-service principle for everything they buy.

From the company's point of view, direct selling has certain advantages and opportunities, compared to other channels of distribution. It is highly useful whenever the company wants to launch a new product and create consumer acceptance with limited capital. It insures effective demonstration before the consumers, and is capable of selecting distribution so as to avoid competing with other competitors. Moreover, it can help customers understand their own needs and problems, and provides customers with a way to satisfy their own wants. It also serves the society in an educational capacity by

telling people of new merchandise developments. It provides the necessary information concerning the proper use and care of the items purchased.

Other key elements pertaining to direct selling which enable many companies to enter into the complex market include low manufacturing cost, low distribution costs, and higher profits. For instance, the XYZ Company,¹ which manufactured products for the consumer markets, used three different channels of distribution to reach the consumer. The first is to go through the independent wholesale channel. The second is to supplement the wholesaler with promotional and a missionary sales force effort. The third is to establish branches with direct retail salesmen. The company tried to compare the costs and profits resulting from each of the three channels using special research methods. It chose three comparable areas and, for a period of a year, used a different method of distribution in each under actual operating conditions. At the end of the period, the XYZ Company took steps to discover the relative costs and profits, which are shown in Table 1.2.

It is seen that the relatively high distribution costs, both in the home office and in the field, which were incurred when selling through company branches and retail salesmen (column C), apparently were offset by the higher volume. So this channel's index of total dollar profit - 1,700 - was the greatest (item 26). This relatively low cost method of selling will open up new markets and increase both sales and profits.

¹ Charles H. Sevin, Analytical Approach to Channel Policies, p. 450.

TABLE 1.2

SELECTED DISTRIBUTION COSTS, GROSS MARGINS, AND PROFITS
OF THE XYZ COMPANY FOR THREE CHANNELS OF
DISTRIBUTION (PERCENTAGE OF SALES)

| Distribution costs | A Wholesaler only | B Wholesaler plus retail salesmen | C Company Branches plus retail salesmen |
|---|----------------------|--------------------------------------|--|
| Selected Factory Dist. Costs | | | |
| 4. Selling expense | | | |
| a. wholesale | 1.41 | 1.39 | |
| b. retail | | 4.71 | |
| 5. sales supervision | | | |
| a. wholesale salesmen | 0.34 | 0.33 | |
| b. retail salesmen | | 0.79 | 1.47 |
| 7. Supervision of branches | | | 1.23 |
| other | 2.16 | 2.77 | 2.81 |
| 9. Total factory dist. costs | 3.91 | 9.92 | 5.51 |
| 10. Gross margin at factory | 17.00 | 17.00 | 17.99 |
| 11. Operating profit at factory (10 - 9) | 13.09 | 7.08 | 11.49 |
| Selected Branch Dist. Costs | | | |
| 21. Total branch dist. costs | | | 20.51 |
| 22. Gross margin at branches | | | 22.00 |
| 23. Operating profit at branches | | | 1.49 |
| 24. Total operating profit | 13.09 | 7.08 | 12.98 |
| 25. Index of change in sales volume | 124 | 129 | 131 |
| 26. Index of total dollar oper. profit (24 x 25) | 1624 | 913 | 1700 |

1.5 Obstacles to Door-to-door Selling in Hong Kong

In Hong Kong, the service industry is also developing, like the prevailing trend of the world. The communication services, transportation services, banking services and consultancy services are seen as the fastest expanding services among all kinds of industries. However, the personal service business is still far behind, compared with the above service businesses.

One influential factor which leads to the handicap of the personal selling service is that Hong Kong manufacturers are usually more concerned about foreign markets than with the local market. Most goods produced in Hong Kong are exported overseas. The local market is served by all types of local wholesalers who obtain merchandise from other countries. The marketing channel follows the traditional one, i.e. goods are passed through wholesaler and retailer, and then to the final user.

Hong Kong also has a highly developed communication network which enhances the efficiency of sales promotion, and advertising. Mass media reach most people of Hong Kong every day. The intense use of advertising through newspaper, television, radio or others is the common strategy of local wholesalers to create consumption, to build up product or company image and to promote sales. In this case, the role of salespeople and the significance of direct personal selling are overlooked.

Since World War II, the population of Hong Kong has increased substantially. Refugees from Mainland China and South East Asia flooded Hong Kong. All of them inhabited urban areas and sought jobs to earn their living. Hence, large department stores, supermarkets

and chain organisations flourished in the densely populated Kowloon peninsula and Hong Kong island. Traditionally, people purchase their food and daily requirements in the street market which is congested with stalls, stores and retail shops. Frequently, they enjoy wandering about the big department stores, supermarkets or chain organisations even though they have no intention of buying anything.

The cultural difference between West and East is another element which prevents direct selling from expanding in Hong Kong. Usually, the Chinese people do not like to sell anything to relatives, friends and strangers on a door-to-door basis, nor do they buy things from the 'door-sales-people'. They do not believe that a salesman provides them with services and convenience.

Chinese people are conservative in the way that they are seldom exposed to personal selling of commodities. Frequently, they won't pay for the salesman's services. Salespeople in their mind are cunning, and eloquent, whose objective is only to 'take' money out of their pocket or to deceive them in terms of property and money. Therefore, a direct door-to-door salesman is usually not welcome regardless of the type of merchandises he offers.

Hong Kong's public disorder is a huge obstacle to direct selling. Robbery, raping, killing, hijacking and other crimes occur frequently. Most criminals pretend to be an apartment finder or a door-to-door salesman. This presents a problem to door-to-door salespeople. Doors are almost always slammed in the salesman's face. Thus direct personal selling can hardly be developed in Hong Kong.

However, a door-to-door sales company did open in Hong Kong about two years ago. This company is the Amway (Hong Kong) Limited.

It employs part-time salespeople on a door-to-door selling basis. Until now its sales performance has been quite good. How can it stand firm under this environment which is adverse to door-to-door selling? What should it do to counteract the bad image about personal selling? In what way can it cater to its own target market customers and grow? These are questions directly related to the future development and prosperity of door-to-door selling in Hong Kong.

1.6 The Objective and Scope of the Study

The purpose of this study is to ascertain if this personal selling system is an effective strategy for Hong Kong. What is its future in Hong Kong? Should changes be made when it is applied to Hong Kong?

In view of the fact that Hong Kong Amway has been established in Hong Kong for only one year, the current study evaluates the effectiveness of each distributor's performance, the improvements that the Hong Kong Amway can make and the future prospects of the direct selling approach for consumer goods in Hong Kong. The objectives of this survey are thus confined to:

1. exploring the favourable and unfavourable factors of executing this type of selling system in Hong Kong
2. identifying the problems in the course of selling and sponsoring
3. measuring the performance of distributors and of Hong Kong Amway Limited.
4. suggesting improvements so as to foster the growth of this selling system in Hong Kong

It is believed that people will demand more and more personal services so that they can buy what they want in a convenient way. However, which is the most effective and efficient way of providing satisfaction? Supermarkets do not offer much personal service but offer convenience to shoppers. To shop without shopping, which is the door-to-door selling method, is preferred by those who put demands on personal service. However, the latter is usually limited to selling one brand or one type of good. There is no choice for the customer to shift his preference to another brand. How can the personal selling method become more effective despite its lack of brand choice? This question leads to the development of this study.

1.7 General Approach of Thesis Plan

The first chapter talks about the recent trend and unique features of retail business. In Hong Kong, there are particular regional obstacles which prevent door-to-door selling from developing. Objective and scope of the study are also stated in this chapter.

Secondly, this study elaborates on the general background of the company. The business philosophy, marketing and salesplan, incentive scheme and others are all stated in the second chapter. The third chapter is devoted to the personal selling environment. It gives emphasis to the favorable environmental factors and obstacles to direct selling. Sample design, research methodology and analytical techniques are described in Chapter 4. The subsequent chapter is concerned with detailed analysis of the primary and secondary data collected. The research findings will be presented in chapter 6 and recommendations are suggested in chapter 7.

The objective of this study is to develop steps to expand the direct selling system in Hong Kong.

1.8 Summary of This Chapter

In this chapter, the meanings of marketing and retailing are defined. The historical development and future trends of retailing are also described and anticipated.

Marketing is defined as a process in a society by which the demand structure for economic goods and services is anticipated or enlarged and satisfied through the conception, promotion, exchange, and physical distribution of such goods and services.

On the other hand, retailing is defined as the final part of the marketing process in which the various functions of the seller, usually a store or service establishment, and the buyer, an individual consumer, are primarily oriented to accomplishing the exchange of economic goods and services, for purposes of personal or family use.

The retailing business began with the trading post and the limited line store. Chain organisation and department store were later developed. Another type of large departmentalized food store was also evolved at a subsequent stage. In late nineteenth century, mail order selling emerged. Recently, personalized direct selling has become quite effective in the selling of consumer goods.

There are obstacles to door-to-door selling in Hong Kong. Most manufacturers and wholesalers follow the traditional marketing channel. Cultural differences between East and West are obstacle to direct selling. Chinese people usually are more conservative and do not like being sold anything in a personalized way. Furthermore, Hong Kong's public disorder frightens housewives. No one can dare

enough open the door to let a strange salesperson in.

The objectives of this study are to explore favorable and unfavorable factors pertaining to direct selling in Hong Kong, to identify problems in the course of selling, to measure the performance of Amway distributors and to suggest improvements.

2.0 BACKGROUND OF THE COMPANY

2.1 Justification

The personal services business has been successful in the business world and is forecast to be prosperous in the future. With over four million people congested in a small area, Hong Kong could certainly become a potential market for personal selling businesses. As the Hong Kong Government is undertaking a housing policy that will move people from densely populated urban districts to rural areas, people will be removed from the traditional shopping centers. They will have to travel downtown to shop for some specialty goods or merchandise in supermarkets, department stores and other stores. Door-to-door selling in this case can surely provide a benefit to these people and can meet their need for convenient shopping. There are also many other factors influential to the direct personal selling approach in Hong Kong. These elements will be discussed in the next chapter.

Unfortunately, personal selling is so under-developed in Hong Kong that even Avon Products Inc., which is the world-wide number one direct selling company, has not yet been established here.

However, there has been an inroad made by a company called Amway (Hong Kong) Limited,¹ whose emphasis is on direct personal

¹ The Amway (Hong Kong) Limited is located at 603, Sutherland House, Charter Road, Central, Hong Kong. It will be referred as the Hong Kong Amway elsewhere in the text.

service. All products of this company are sold only through the direct selling method.

Its establishment indicates a milestone for the direct personal selling of consumer goods in Hong Kong. Amway surely will encounter many difficult problems as it expands into the Hong Kong consumer market. At present, it is still too young to be noted. Its selling network stressing personal service, with the slogan of "shop without going shopping", is being expanded.

2.2 Background of the Company

General Review of the Amway Corporation

The Amway Corporation¹ was founded by Mr. Jan Van-Andel and Mr. Richard M. DeVos in Ada, Michigan, U.S.A. in 1959. At first, they began distributing only one single all-purpose liquid cleaner among a network of close friends and associates with the person-to-person selling method. As time went by, other products were added to the line and the number of distributors² was greatly increased. Since the sales record and the variety of products grew substantially, they expanded the business into Canada, England, Australia, Hong Kong, West Germany and most recently into Singapore and Malaysia. These two Amway Corporation Co-founders serve respectively as Chairman of the Board and President of all Amway companies abroad and act

¹ The Amway Corporation is located at 7575, East Fulton Road, Ada, Michigan, United States of America. In this article, it is referred as the Amway Company or headquarters.

² In Hong Kong, the Amway Corporation refers to the person-to-person salesman or salesgirl as distributor.

jointly as chief executive officers of the Amway Corporation as well as of all oversea Amway Companies. With over 200,000 distributors spread over different continents, the sales in 1975 reached a level US\$250,000,000 at the estimated retail price,¹ compared with the sales of 5,000,000 in 1959. Emphasis in this thesis will be on the introduction and development of the Amway concept in Hong Kong.

The Hong Kong Amway is a branch of the parent company, the Amway Corporation. It was established in September, 1974. With one office located in Central District of Hong Kong island and one stock godown in Kowloon Tong of Kowloon side, the business of Hong Kong Amway is conducted exactly in the same way as the parent company's. Only the business environment is different. The company staff team consists of one manager, two secretaries, one delivery driver and one office boy. All products available in Hong Kong are delivered from the parent company in America. Orders, reports and financial statements are sent periodically to the headquarters which in return sends senior staff to investigate the current situation of the Hong Kong Amway business. In addition, it is their responsibility to introduce improved selling techniques to the Hong Kong Amway.

Philosophy of the Amway Limited

The way in which the Hong Kong Amway is managed is identical to how the parent company is managed. Any change in the Company's policy which is determined by headquarters will prevail in all

¹ This is the customers' price.

foreign branches as well.

Amway Limited holds the philosophy that free enterprise will encourage the development of direct selling. No target sales volume is assigned to any distributor. He is allowed to sell without any compulsory stocking of products. Every man or woman regardless of the age, income, educational level, profession, nationality and marital status can join Hong Kong Amway and become a new distributor with only HK\$100.00¹ as the initial investment. The newcomer is then accepted as a member of the Kingdom of free enterprise of Hong Kong Amway and is provided with various types of products to be sold.

All Amway distributors in Hong Kong are part-time workers and have no fixed salary. Their earnings are based on roughly a 30% commission on the purchase volume.² Distributors in Hong Kong can stock as many types of products as they want. They deliver to the consumer at their own expense. Therefore, the company always advises the distributors not to stock too much unless they confirm having a handful of potential customers. In addition they should not sell to customers living far away from their own residence. The

¹ The subscription for joining Hong Kong Amway as a distributor is HK\$25.00 annually. The HK\$75.00 is paid for the starter's kit in which there are pamphlets for introducing the Hong Kong Amway products, price list etc.

² Purchase volume (or retailing volume) is a value on which the distributor computes his basic discount. It is the value established for a product before any regional warehousing cost and freight cost (known as surcharge) are added to arrive at the retail price. Therefore, the distributor should take no advantage of the difference which does exist between the purchase volume and retail price.

most effective method is to sell to your neighbours and friends living close to your house. On the other hand, no direct purchasing is allowed between the customer and the Hong Kong Amway nor are the Amway products available to outside retailing agents. The sales must be completed through the intermediary catalysts of Amway distributors. That is, the sales outlet flows in one single direction. The Hong Kong Amway sells to distributors who in turn sell the products to final consumers. If the consumer is not satisfied with the Amway product purchased, he can return it to the Amway distributor who sold it to him. He will be offered the choice of replacement or repair without charge, or full credit toward the purchase of another Amway product, or refund of the full purchase price. The Amway distributor then can simply return the products to Hong Kong Amway for full credit.

Management of the Amway (Hong Kong) Limited

The Hong Kong Amway holds a monthly rally. All distributors are free to attend. The rally provides a chance for distributors to exchange their selling experiences. Successful distributors can introduce their effective selling techniques. Newcomers are welcome and can join Amway at any time with no basic requirement. Monthly sales and leadership trainings were given in the first few months of the company's establishment but were later cancelled and replaced with the monthly rally. A weekly Amway meeting including experimental demonstration is held for those to attend who have not heard of Amway before or not yet joined. Usually these newcomers are invited to the Hong Kong Amway office to attend the presentation by

the Amway distributors. A cosmetic sales meeting is frequently held in order to provide supervision on using the Amway cosmetic products. Seminar gatherings, of which participants are limited to qualifiers who have attained a particular sales level, are irregularly conducted so as to push these successful distributors one step further. In addition to all these meetings, the relationship between the distributor and the company is linked by the monthly newsgam which is sent to each distributor.

Sales and Marketing Plan and Incentive Scheme

The Amway business depends on each retail distributor and the sales network relies on the sponsoring¹ process. Each distributor is advised to expand his retailing volume as well as his sponsorship. The expansion of his sponsorship associated with the incentive scheme will be of advantage to the distributor. The retailing and sponsoring plans are described as follow:

(A) Retailing

The company advises the new distributor to maintain a sales level of HK\$500 each month at first by selling one to two all-purpose cleaners² to his neighbours or friends. Only sales over this amount can earn additional incentive commission. All distributors can roughly have a discount of 30 per cent on any retailing volume³ of

¹ Current distributors can introduce their friends to be new Amway distributors. They are then called sponsors, in addition to being called the distributor. This process is termed sponsoring.

² Out of one hundred and sixty different types of Amway Products, close to eighty types of cosmetics, personal-care and home-care know-how products are available in Hong Kong. The remainder will continually be introduced into Hong Kong market.

³ Retail volume is the same as the purchase volume.

any product. Thus, if the distributor can attain the retailing of HK\$500 and sell it, he can earn a basic income of $\text{HK\$}500 \times 30\% = \text{HK\$}150$ (exclusive of the incentive). The way of attaining the sales of HK\$500 which the Hong Kong Amway suggests is to sell alternative products regularly to your friends and neighbours. As the number of customers increases later, sales will increase. For instance, if your retail volume reaches the sales level of HK\$1,000, you will have a discount of HK\$300 ($\$1,000 \times 30\% = 300$). The more you sell, the more discount you receive at the same rate.

(B) Sponsoring

Sales achieved by the new distributor will belong to the sponsor. The sponsor, however, must pay back the incentive commissions to that distributor. This excludes the 30% discount which is directly withdrawn from the company. In that way, the sponsor can earn more than the distributor he sponsored. An example is illustrated here. It is better to have a look on the incentive scheme of the Hong Kong Amway. This scheme is to encourage the distributor to actively push his sales level up as well as to sponsor other new potential distributors. The total retail volume of sponsored distributors will be added to the sponsor as to allow the latter to achieve a higher incentive commission.

Incentive Scheme (in HK\$ at retail volume)

| | | |
|-------------------|---|-----|
| \$25,000 and over | - | 21% |
| \$15,000 - 24,999 | - | 18% |
| \$ 9,000 - 14,999 | - | 15% |
| \$ 6,000 - 8,999 | - | 12% |
| \$ 3,500 - 5,999 | - | 9% |
| \$ 1,800 - 3,499 | - | 6% |
| \$ 500 - 1,799 | - | 3% |

To illustrate, a sales figure is arbitrarily assigned to the distributor and the sponsor. The latter is assumed to have sponsored only one distributor. Both their retail volumes are HK\$500 this month. The sponsor's retail volume ends with HK\$1,000 and falls in the 3% incentive scheme range. His monthly income is calculated below:

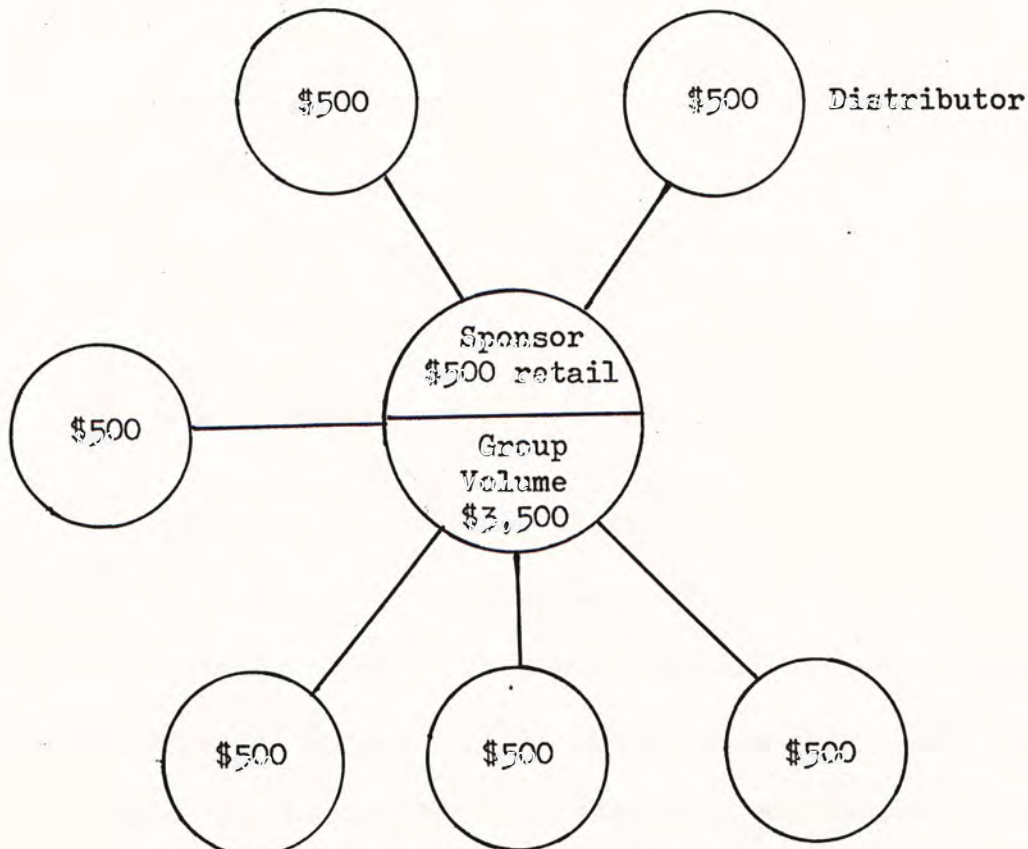
| | | |
|--|-------------|-----------------|
| Total gross volume | \$1000.00 | |
| Incentive level | <u>x 3%</u> | |
| Incentive received | | \$30.00 |
| His sponsored distributors volume | \$ 500.00 | |
| Incentive level | <u>x 3%</u> | |
| Incentive amount | | <u>\$15.00</u> |
| His own incentive retained | | \$15.00 |
| His initial discount of buying the goods | \$500 x 30% | <u>\$150.00</u> |
| Total monthly income | | \$165.00 |

In addition to the incentive indicated above, his sponsored distributor's 30% discount, as well as his, is directly taken into account whenever they purchase stock from the company. The amount

of the discount will not be subtracted from his gross retail volume.

In another case, the sponsor is assumed to have sponsored six distributors each of whom has a sales of HK\$500. The group retail volume now becomes HK\$3,500.

The sponsoring chain looks as follow:



THE INITIAL ORGANISATION OF THE SPONSOR

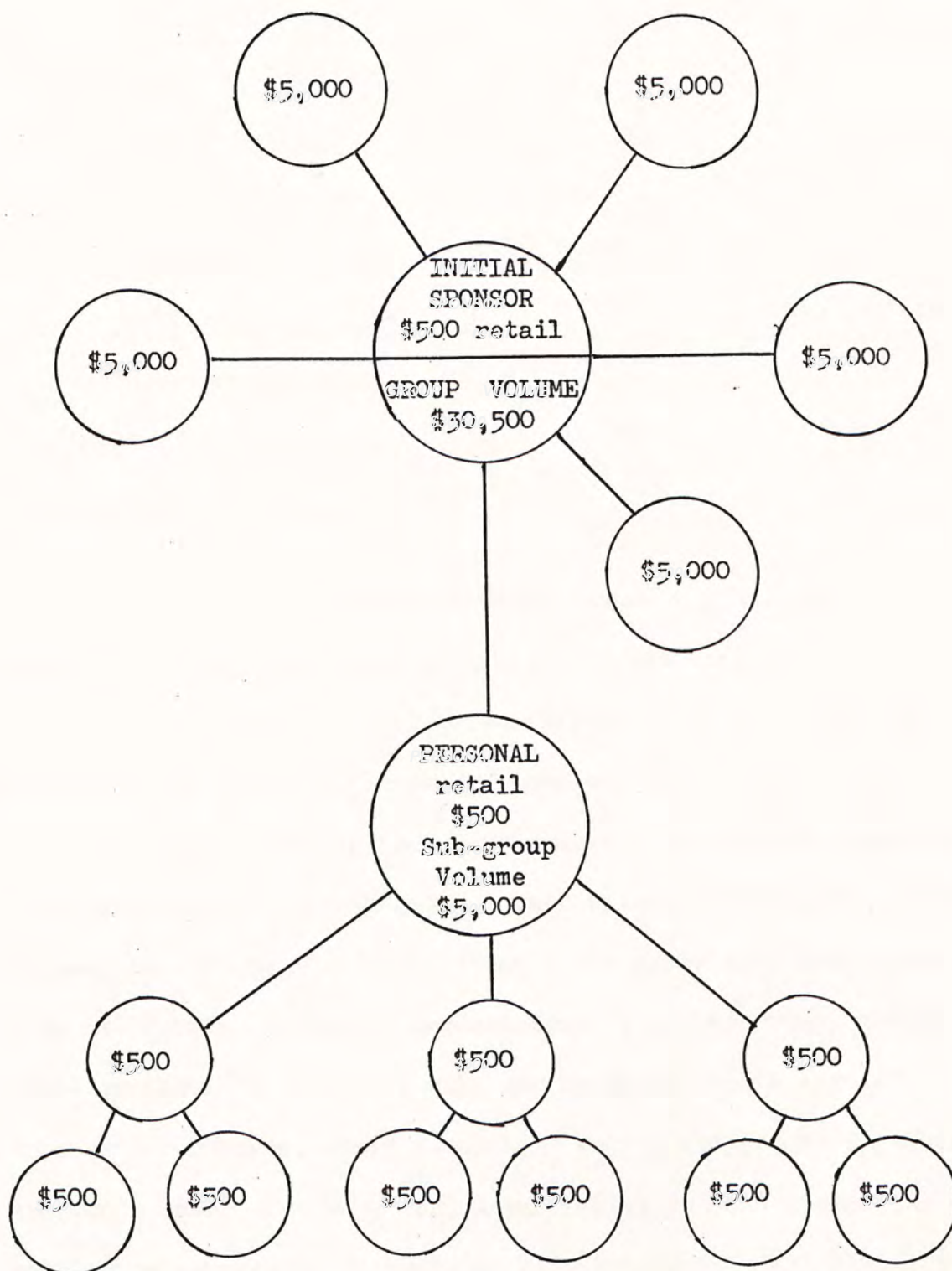
The group volume falls in the 9% incentive category of the incentive scheme. The calculation of the sponsor's income is shown below:

| | | |
|---------------------------|----------------------|-----------------|
| Total group volume | HK\$3,500.00 | |
| Incentive level | <u>9%</u> | |
| Incentive received | | \$315.00 |
| Each distributor's volume | \$ 500.00 | |
| Incentive level | <u>3%</u> | |
| Incentive amount | | \$ 15.00 |
| Total incentive payout | (\$15 x 6) = \$90.00 | |
| Incentive retained | | \$225.00 |
| Sponsor's retail volume | \$500.00 | |
| Basic discount | x 30% = | \$150.00 |
| Total monthly income | | <u>\$375.00</u> |

In addition to the basic discount, the sponsor can earn an additional HK\$225.00, provided each of his six distributors can maintain a retail volume of HK\$500 or above. Each distributor can also become a sponsor and thus form a sub-group under the first sponsor's organisation. In this way, the network of sponsoring expands gradually and the first sponsor can then easily reach a high level of incentive.

Again, an example here is to illustrate how the first sponsor reaches the top level of incentive. He is postulated to have a constant sales of HK\$500 while his distributor organisation grows. Each of his six directly sponsored distributors is presumed to arrive at the same sub-group sales level of \$5,000. The initial sponsor in this case attains the sales level of HK\$30,500 and the highest incentive scale is achieved. The initial sponsor can now

earn HK\$3,855.00 per month.



THE GROWING ORGANISATION OF THE INITIAL SPONSOR

| | | |
|--------------------------|-------------|------------------|
| Total group volume | \$30,500.00 | |
| Incentive level (top) | <u>21%</u> | |
| Incentive received | | \$6,405.00 |
| Each sub-group's volume | \$5,000.00 | |
| Incentive level | <u>9%</u> | |
| Incentive amount | \$ 450.00 | |
| Total incentive payout | x 6 | \$2,700.00 |
| Incentive retained | | \$3,705.00 |
| Initial sponsor's retail | \$ 500.00 | |
| Basic discount | x 30% | <u>\$ 150.00</u> |
| Total monthly income | | \$3,855.00 |

The sponsor is responsible for expanding his own organisation. This includes training, motivating and recruiting (sponsoring) distributors. He is to train distributors to sell to ultimate customers and to motivate them to increase their own business.

If one of his distributors achieves the highest incentive level with at least a sub-group retail volume of HK\$25,000 on three consecutive months, his distributor's sub-group will then break off from the initial sponsor's organisation, i.e. the retail volume of the distributor's sub-group will not be added to the initial sponsor's. However, there is another way to compensate for this sponsor's loss. The Hong Kong Amway will give that particular direct selling salesperson a 3% bonus on his leaving-out-distributor's retail volume provided he can also attain the highest incentive level with at least HK\$25,000 retail volume in the same month.

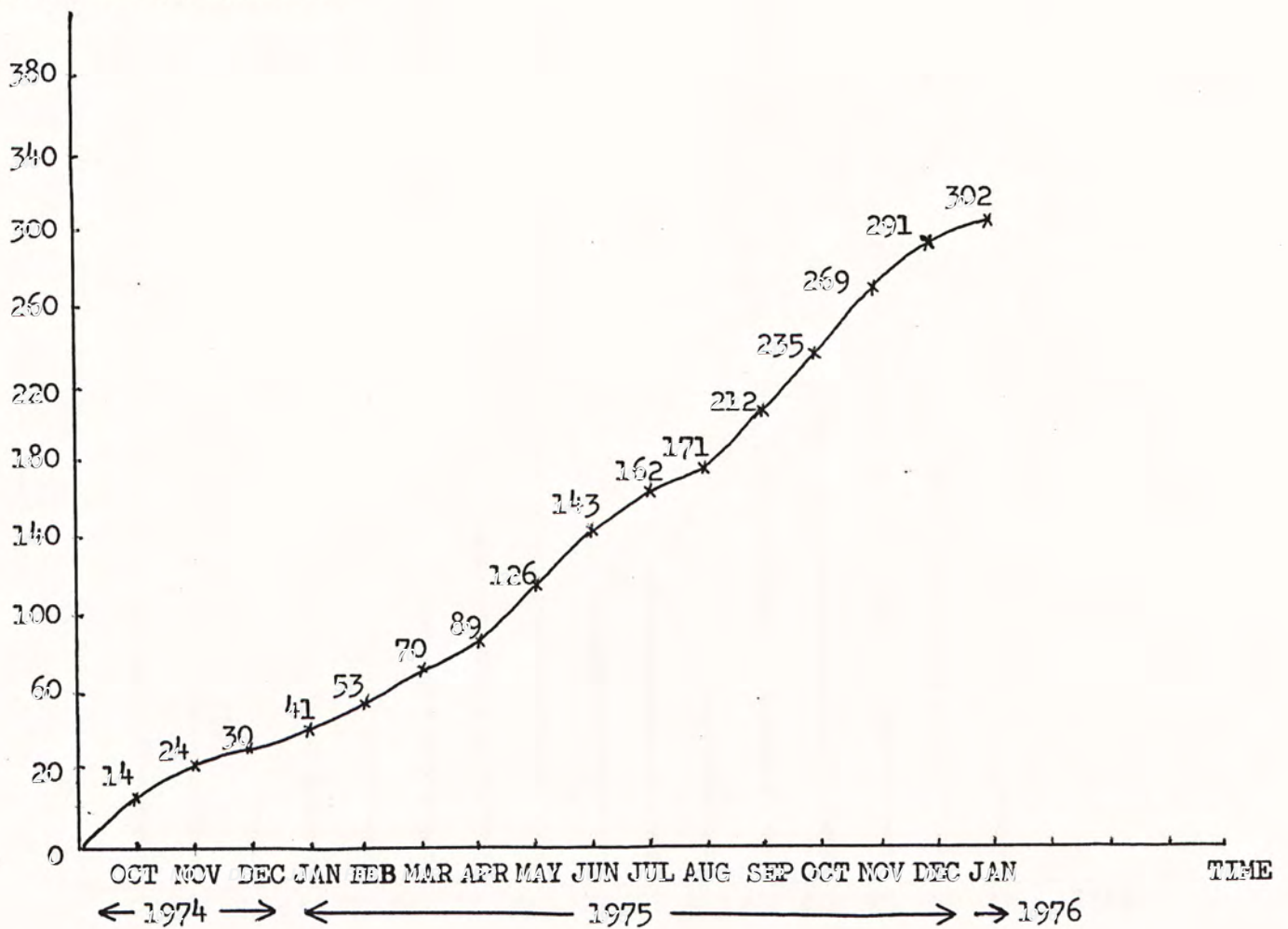
For example, if one of his distributors reaches a sub-group retail volume of HK\$30,000, then the initial sponsor can receive $\$30,000 \times 3\% = \900.00 bonus provided he also arrives at the retail level of at least HK\$25,000 excluding the former distributor's sub-group volume. Otherwise he is not qualified to receive this bonus. This regulation asserts a pressure to every sponsor so that he must continue to sponsor other potential new distributors as well as to balance between personal selling and sponsoring if he wants to increase his profits.

Performance of the Hong Kong Amway

All distributors of the Hong Kong Amway are part-time workers only. They use their spare time to attend monthly rally meetings organised by the Hong Kong Amway and to stock and to deliver goods. The number of distributors is increasing month by month while the sales volume continues to increase at the same time. New types of products are being introduced into the Hong Kong market. The total market for the Hong Kong Amway seems to be expanding.

The number of distributors signed up is depicted as follow:

NUMBER OF DISTRIBUTORS

FIGURE 2.1 NUMBER OF DISTRIBUTORS AGAINST TIME

NUMBER OF DISTRIBUTORS
SIGNED UP PER MONTH

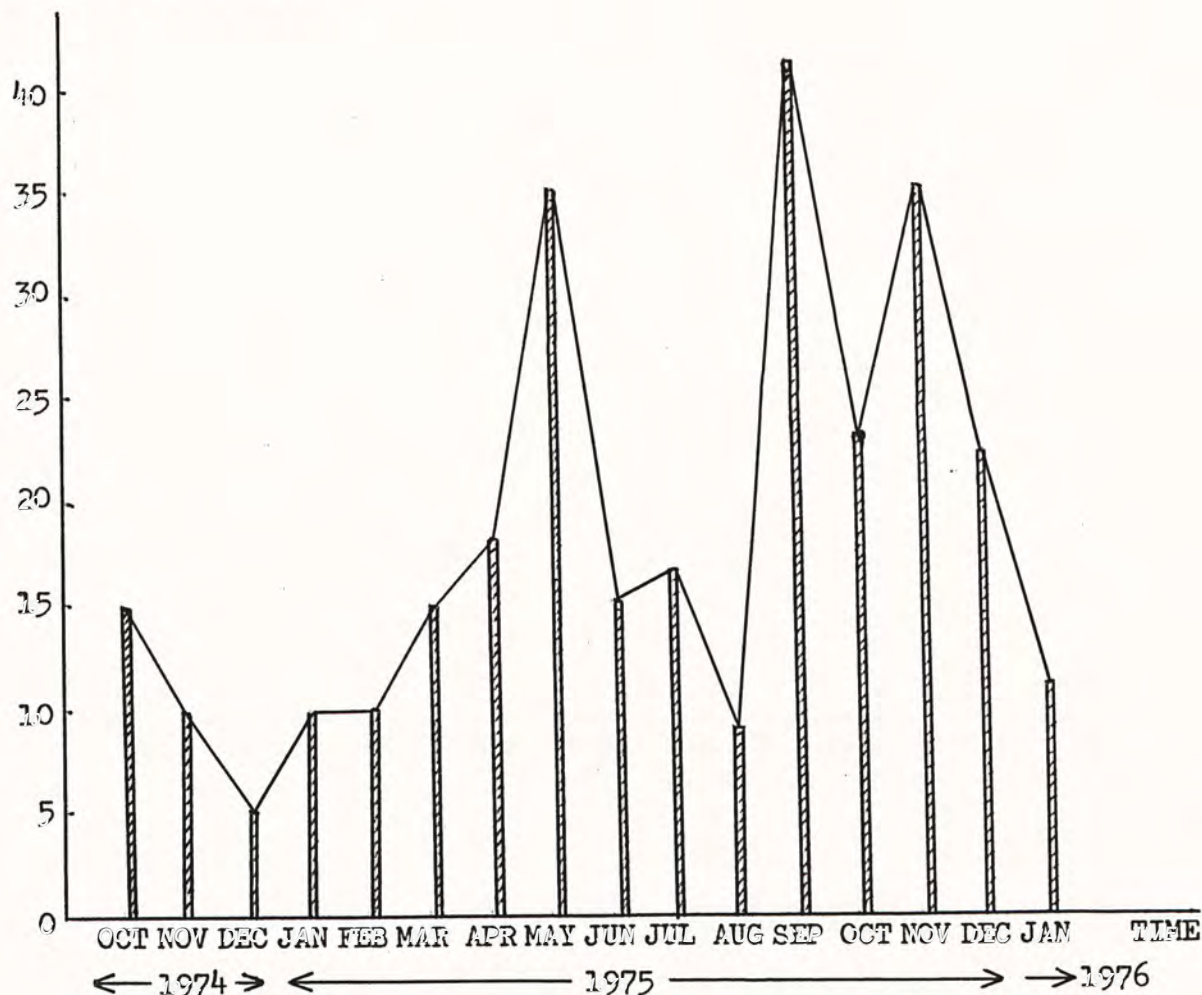


FIGURE 2.2 THE GROWTH OF THE NUMBER OF
DISTRIBUTORS PER MONTH

From Figure 2.2, the number of distributors was seen to increase, particularly in May, September and November last year. As of October of last year, the number of distributors is fifteen times as great as that at the beginning of the Company's operation. The average number of new distributors is nineteen per month.



FIGURE 2.3 SALES HISTORY

Sales records of past eighteen months are available from Amway. The highest monthly sales volume is in March, 1976. The average monthly sales volume is HK\$18,000. Referring to Figure 2.2, the number of new distributor was greatly increased in May and September of last year. The sales curve shown in Figure 2.3 also shows that the monthly sales volume tremendously raised in May, September and in the end months of last year.

This implies that sales volume is directly proportional to the number of sales distributor. The average monthly sales volume achieved by each sales distributor is HK\$100.

Nature of the Products

Products available in the Amway Company include all types of personal care items, cosmetics, home-care know-how and other consumer goods. The latter types of products are also daily necessities at home. Therefore, it is alleged that by means of personal service, the image of such products can be created in the consumers' mind. On the background of good quality, all products are non-perishable and are at any time subject to 100 per cent money back guarantee. Consumers will be characteristic of repeat purchase because the home-care products should always be available at home. Personal service of the direct selling secures repeat purchase of customers.

2.3 Hypothesis

This survey focuses on Hong Kong Amway. In this study, the suggestion to promote the business of the Hong Kong Amway would really mean to promote the personal selling system of consumer goods in Hong Kong. After viewing the case of the Hong Kong Amway, four postulates are formulated in relation to the case itself.

1. This personal selling method does provide a chance for earning additional income on a part-time basis.
2. Conducting an advertising and publicity campaign will expedite the development of the direct selling network and will enhance the difficult brand-introducing process taken by distributors.
3. Sales growth is directly proportional to the increasing number of distributors.
4. The lenient control system will lead to greater

distributor laxity, i.e. they will not regularly visit their customers nor introduce other new products of Amway.

5. There is a relationship between distributor's sales performance and his demographic background.

2.4 Summary of Chapter Two

The Chapter illustrates the philosophy of Amway (Hong Kong) limited. The morale behind keeping sales distributors motivated is the incentive scheme. The more you sell, the more you get. In other words, the more distributors you sponsor, the higher level of incentive you will reach. The incentive scheme is depicted as:

Incentive Scheme (in Hong Kong \$ at retail volume)

| | | |
|-------------------|---|-----|
| \$25,000 and over | - | 21% |
| \$15,000 - 24,999 | - | 18% |
| \$ 9,000 - 14,999 | - | 15% |
| \$ 6,000 - 8,999 | - | 12% |
| \$ 3,500 - 5,999 | - | 9% |
| \$ 1,800 - 3,499 | - | 6% |
| \$ 500 - 1,799 | - | 3% |

There is no sales quota nor stock requirement to the sales distributor. The income is solely based on commission. The sales distributor is also responsible for goods delivery, collecting bills, soliciting orders and serving the customer.

The sales volume has been growing since the company's establishment two years ago. The number of distributor is also increasing. Sales volume seems to increase proportionally with the number of sales distributors. The average monthly sales volume per distributor is HK\$100.

3.0 THE HONG KONG ENVIRONMENT

3.1 External Conditions Favourable to the

Personal Selling

In Hong Kong, there does exist a large market for the selling of consumer goods. The opportunity for expanding the personal selling concept will depend on the type of customers, the distributors as well as the competition in the market. Generally speaking, Hong Kong lacks a perfect social-welfare system which is most beneficial to the old and the handicapped. The consumption power is shifted to those who are able to work and earn their living. There is no social security system. People are not guaranteed their living once they are unemployed. Under this keen competitive environment with over four million people living in such a congested area, it is believed that almost all local people feel unsafe in their job and unstable in their life. Jobs are difficult to secure. In addition, many companies in Hong Kong do not have a pension program. Whenever people are old enough to be retired, they are abandoned from the job without any kind of mercy, no matter how long they have worked for that particular company. Therefore, people are usually seek an additional part-time job while they can still have their strength. This provides an enormous basis of part-time labour. Whenever there is a chance to earn additional incomes, many applicants apply. The Hong Kong Amway in this respect is expected to have no problem regarding the recruitment of its

employees. This is especially true since there are no requirements on age, working capability, position being held, marital status, nationality or educational level for filling the part-time post offered by the Amway. Additionally, there are several factors favourable to the growth of the personal selling system around the Hong Kong environment.

Population factor

The Hong Kong population has been increasing at a decreasing rate in recent years. It still stands, however, at the highest population density level in the world. Based on the result of the 1971 population census, a population projection from 1971 to 1991 was estimated by the Hong Kong Census and Statistics Department, as shown in Table 3.1.¹

TABLE 3.1

PROJECTED TOTAL POPULATION, HONG KONG MID-YEAR (1971-1991)

| Year | Population (in thousand) | | |
|-------------------|--------------------------|-------------------|----------------|
| | High projection | Medium projection | Low projection |
| 1971 | 4,045a/ | 4,045a/ | 4,045a/ |
| 1976 | 4,471 | 4,418 | 4,371 |
| 1981 | 5,011 | 4,866 | 4,741 |
| 1986 | 5,657 | 5,377 | 5,143 |
| 1991 | 6,337 | 5,896 | 5,526 |
| Per cent increase | | | |
| 1971 - 1981 | 23.9 | 20.3 | 17.2 |
| 1981 - 1991 | 26.5 | 21.2 | 16.6 |
| 1971 - 1991 | 56.7 | 45.8 | 36.6 |

Note: a/ 1971 mid-year population estimate derived from the 1971 Census results.

¹ Hong Kong Population Projections 1971-1991 (Census and Statistics Department, Hong Kong), p.3.

If the fertility (births), mortality (deaths) and migration of people do not change drastically, it can be expected that the population in Hong Kong this year will be 4,418,000 compared with 4,045,000 in 1971 -- a 9.2 percent increase. In 1981, the population will increase 20.3 percent relative to the 1971 Census result. However, the promotion of birth control will substantially reduce the population growth rate in the coming years.

From the result of the 1971 Census, about 50 per cent of the Hong Kong population is below 25 years of age.¹ Those who are now close to the marriage age 22 for the female and 28 for the male² amount to 13 per cent of the total population. This shows that within this or next year, the formation of family units increases at an increasing rate.

Following the trend of increasing population, the Hong Kong Government policy is to resettle the people from the densely populated area to the rural area. In the foreseeable future, people will be spread uniformly over the Hong Kong Island, Kowloon Peninsula and the New Territory. Shopping habits will be changed. Housewives will tend to favor door-to-door selling, since that kind of personal selling is much more convenient to them. Benefits of personal selling given to household are described in chapter one.

The above factors may accelerate the growth of the Amway personal selling systems. It is believed that the population increase

¹ The 1971 Census, A Graphic Guide, (Census and Statistics Department, June, 1972), p. 2.

² Hong Kong Population and Housing Census -- 1971 Main Report, (Census and Statistics Department, October, 1972). Unless otherwise footnoted, all subsequent data are drawn from the above report.

forms a vast human resource for the personal selling system and it enables this selling network to be developed efficiently. The market for consumer goods is also expanding.

The increasing rate of family formation also enhances the personal selling system of Amway. Most successful distributors in the United States are family couples (husband and wife).¹ They spread out the distributorship as well as the sponsorship in an efficient way which is only achieved under the co-operation of the husband and wife. It is hoped that the same situation will occur in Hong Kong with the increasing number of family units. The dispersion of the population to outlying areas increases the chance for distributors to make new friends. Distributors will also move to other areas and will meet new people. This type of penetration to a new group of people may mean the least expensive but most efficient method of promoting the Amway image to the common people.

Trend of employment characteristics

A trend in employment in recent years in Hong Kong is the increase in the female labour force. From the result of the 1971 Census, there has been roughly a 61 per cent increase in the female work force from 1961 to 1971, compared with the 27 per cent increase in the male work force. It is also noted that the drastic change in the female work force participation is due to the significant increase of the number of economically active² females of 19 years

¹ Amway printed material.

² Economically active means engaged or participated in a job with salary paid for at least 15 working hours a week.

of age or younger. The following table shows the workforce participation rates¹ with respect to each age group in 1961 and 1971.

TABLE 3.2

WORKFORCE PARTICIPATION RATES 1961 & 1971

| Age-group | 1961 | | 1971 | |
|-----------|------|--------|------|--------|
| | Male | Female | Male | Female |
| 10 - 14 | 6.0% | 7.1% | 4.7% | 9.1% |
| 15 - 19 | 54.3 | 47.9 | 50.4 | 56.4 |
| 20 - 24 | 89.2 | 51.1 | 90.2 | 69.5 |
| 25 - 34 | 97.8 | 33.9 | 98.4 | 39.6 |
| 35 - 44 | 98.3 | 38.0 | 98.6 | 38.7 |
| 45 - 54 | 96.9 | 42.1 | 96.6 | 38.9 |
| 55 - 64 | 85.3 | 28.2 | 84.2 | 33.9 |
| 65 & over | 46.4 | 9.9 | 39.8 | 12.6 |
| overall | 76.5 | 32.3 | 70.9 | 37.1 |

As the data illustrate, nine female children out of one hundred between 10 to 14 of age were economically active in 1971 compared with seven in 1961. (A thirty three per cent increase in females over sixty-five is seen participating actively in the workforce in 1971, compared to that in 1961.) It is expected that in this year, the rate of increase in the female workforce will be even larger. Women will enter the job market earlier and stay longer, than they did in 1961 and 1971.

¹ The workforce participation rate is that proportion of the population age group which is economically active.

The working females after their marriage may not only be busy with their regular jobs but also with their house-work. It is believed that they will minimize the time on wandering around the street market or shopping in the departmental store and even on taking their meal. Personal service is thus expected to be more in demand with respect to the consumer goods. It is seen that by going out to work, women usually make up themselves in order to have a more pleasant appearance. In addition, with the wife working and with the practice of birth control, the consumption power per family will be raised. A substantial increase in the demand for high quality consumer goods and cosmetics is foreseen. Again, this change of employment characteristics indicates that there is a large market for a company which offers high quality consumer products, along with a personal selling service.

Change in level of education

The level of education in Hong Kong is much higher than it was a decade earlier.¹ With the scheme of free primary education effective in 1971, almost all children of primary ages enroll in schools. The late Green Paper on "The Proposed Expansion of Secondary School Education in Hong Kong over the Next Decade" set an ultimate goal of providing sufficient 3-year school places, with Government assistance for 100 per cent of the 12 - 14 age-group, and sufficient 5-year school places in all types of secondary schools²

¹ Further information should be sought on the Hong Kong Population and Housing Census - 1961 and 1971 Main Report.

² Report of the Board of Education on the Proposed Expansion of Secondary School Education in Hong Kong over the Next Decade, August, 1973.

for 40 per cent of the 12 - 16 age-group within a period of ten years. It is also proposed that sufficient opportunities be provided for the youths to attend the 3-year secondary schools. In place of the "Secondary School Entrance Examination" for the primary graduates presently held by the Education Department, a "Junior Certificate" is issued to those who complete the nine years free education from primary one to secondary form-3 and pass the final examination uniquely held by the Education Department. The curriculum of basic courses is also broadened to be capable of involving the health education and practical training at a considerable weight. With the higher education level and more knowledge on health education, it is believed that the Hong Kong people will demand more and better quality goods.

Management and labour costs

Hong Kong people will move from densely populated areas to the suburban areas. This means that the market for consumer goods will split into smaller geographical units. To cater to these small-sized markets, a new branch should be established in that particular dwelling district. More expenses will be incurred on running that branch. Personal selling in this respect constitutes no problems. The distributor can be the one who moves to a new area and goes on with his selling business at his leisure time. This reduces the management, delivery and labour costs of the Hong Kong Amway. The latter is only to manage its own office and incurs no more costs on developing a pioneer area. The increasing number of distributors will not increase the regular fixed and management costs since the delivery expense and the cost of training new

distributors will be shifted to the distributor.

In addition, it is a fact that the renting rate in Hong Kong is one of the highest in the world. It is beneficial to put a personal selling business here. Personal selling business does not require much office space. The cost of renting new offices is then saved. The cost of stocking is also partially shared by distributors. From the company's point of view, the cost of a unit product sold may be maintained constant no matter where the product is channeled.

3.2 The Incentive Scheme And Others

In the process of direct selling, a refund schedule would surely guarantee the performance of salespersons. It is important to the successful recruiting of new prospective direct salespeople as well as to the maintenance of a continued demand for the product.¹ There is also an incentive scheme in the Hong Kong Amway which is always treated as an effective means to motivate distributors. Their income is based on roughly 30 per cent commission and the refund schedule. A higher income can be gained with the increase of their own sales. To raise their reward in another way, they can sponsor more new distributors in the hope that the latter can more or less contribute sales to themselves. They can even do the work of sponsoring only and may still get rewarded without selling a single product provided each of the distributors sponsored by them attains a sales below the incentive level. For example, a

¹Aspley John Cameron and Riso Ovid, Sales Manager's Handbook (Dartnell Press, Inc., 1968.) Chapter 17.

44

sponsor sponsored three distributors. Each of them reached the retail volume of HK\$400 last month which is below the incentive level of HK\$500. In this case, they are not qualified to receive the 3 per cent incentive, which is given to those who hit the retail volume target from HK\$500 to HK\$1799, except the 30 per cent commission. However, the total retail volume of HK\$1,200 achieved by all three distributors is contributed to the sponsor. As a result, the sponsor can gain 3 per cent incentive with reference to the incentive scheme, that is HK\$36 ($\text{HK\$1,200} \times 3\%$).

From this example, it is not the purpose of the company to encourage the distributor to take up the role of sponsoring solely. In another illustration, it is seen that the sponsor who only sponsors can earn nothing. Suppose each of the three distributors in this case, reaches the retail volume of HK\$500 and can be rewarded with 3 per cent incentive in addition to the 30 per cent discount, the calculation of the sponsor's earning is depicted as follows:

The Calculation:

| | |
|----------------------------------|------------------------|
| Gross retail volume | HK\$1,500 |
| Incentive level | 3% |
| Incentive amount | \$45 |
| Each distributor's retail volume | \$500 |
| Incentive level | 3% |
| Incentive amount | \$15 |
| Total incentive payout | $\$15 \times 3 = \45 |
| Sponsor's monthly income | \$0 |

Once the distributor reaches either one of the incentive levels, the sponsor will have no pay that month if he does not sell either. In effect, this incentive schedule not only encourages the direct selling part, but also mobilizes the sponsoring function. If the sponsor can play a dual role of selling and sponsoring, a subsequently higher level of incentive is easily achieved. In connection with the above example, it is assumed that the sponsor reaches the retail volume of HK\$500 as well. Then his earning is much more improved.

| | |
|---|-----------|
| Gross retail volume | HK\$2,000 |
| Incentive level | <u>6%</u> |
| Incentive amount | \$120 |
| Total incentive amount paid to the three distributors (see above example) | \$45 |
| Sponsor's incentive | \$75 |

This amount of HK\$75 has not yet included the 30 per cent discount ($\text{HK\$500} \times 30\% = \150). With no distributor sponsored, this sponsor can only be paid HK\$15 incentive ($\text{HK\$500} \times 3\%$). With three distributors sponsored, whose retail volume attains an incentive level, the sponsor will fail to get anything if he does not sell. But, if he does, then it is easy to catch a much higher incentive which is HK\$60 gain ($\text{HK\$75} - \15) in the above case.

The 30 per cent discount is also considered as an advantage to the personal selling of the Hong Kong Amway. The general commission to house-to-house sales persons averages about 25 per cent only.¹

¹ Ibid.

The Amway's discount is 16.7 per cent higher. In addition, this 30 per cent discount is cashed as soon as the distributor purchases the product from the Amway, delivers it to the final user and collects the money. In many other companies, commissions are reckoned on the account book and will not be paid until months later.

No stocking requirement is viewed beneficial to the distributor too. There is neither monthly target sales set for each distributor nor discriminate price discount to the newcomer. All purchases are solely dealt with in the Hong Kong Amway office. It is observed that some types of selling similar to the Amway concept being executed in Hong Kong exert much of the risk on the sales-people. They actually play the role of a merchant. Other types of direct selling consist of many levels of positions and require the sales-people to pay for a senior post which surely may gain them many benefits. The personal selling currently held by Hong Kong Amway stresses on free-to-sell. Every distributor is equal with respect to his position and discount rate.

Another point worth noting is the 100 per cent money back guarantee. If the product sold is not satisfactory to the consumer, it can be returned to Amway with either replacement of a perfect one or 100 per cent money back. This can secure the distributor's confidence to sell as well as the consumer's faith in using the product. In addition, no recruitment requirement for a distributor is set by the company. It offers an open opportunity for everyone to sell on a part-time or full-time basis regardless of his educational background, income level, sex, nationality, position held and

marital status. Furthermore, a person can sponsor a new distributor abroad and thus expands his selling network internationally.

Most of the cleaning products available in Amway are made of coconut oil which would not damage the skin and cause no harm to life even it is carelessly drunk. This product advantage is not difficult to be understood since the health education level is gradually increasing in Hong Kong.

3.3 Obstacles to Personal Selling

Research and development and sales forecast

With limited manpower working in the Hong Kong Amway office, there is neither a specific division of labour nor segregation of departments. All creative ideas and planning related to functions of different divisions are developed by the manager and executed by the secretary. Few functions are related to the research and development. No target consumer group that the company is supposed to serve has been identified yet. All kinds of people can join Amway and sell to any kind of people they like. Having no product manager, sales manager, marketing co-ordinator, service supervisor or other senior people responsible for special major activities, the company is so small-scaled that it cannot be managed once the sales network explodes. Information related to competitors' promotion campaigns, sales advertisements or other activities is rarely sought. Therefore, the effect of competitors' future activities on Amway's sales performance is hardly predictable.

Since the "free-to-sell" concept prevails in the company, there is no way to forecast the monthly sales volume. Even the

distributor himself can hardly estimate his next month's sales volume. This gives rise to the problem of adjusting in advance the Company's ordering, stocking, sales forecast and expenses.

Recruiting and training

A good personal selling system should be administered through effective sales administratives, coupled with a solid training programme and continued with motivating elements.¹ Since there are no basic requirements for being a new distributor, the sponsor can recruit anyone to be the distributor. However, it is noted that distributors are only recruited by the sponsor. They will not be necessarily effective and self-motivated. Since the sponsor himself does not know the Company's objective nor the target consumer group, how can he recruit the right man for selling the product? There may be many distributors contributing no sales to the Company.

The responsibility of training is undertaken by the sponsor. The Company offers no sales training course for distributors and sponsors. In such case, the part-time sponsor can have no systematic way of training his distributors to be a professional salespersons on the ground that neither he is a sales administrative possessing solid sales background nor can he have sufficient time to play all the roles a sponsor should take. Having this lack of professional sales training, distributors may be ineffective in convincing the consumer to buy.

¹ Aspley John Cameron and Riso Ovid, Sales Manager's Handbook (Dartnell Press, Inc., 1968), Chapter 17.

In reality, sales training is very important in face-to-face selling. Consumers may have various buying motives. Generally, the AIDA theory¹ (Attention, Interest, Desire and Action) is applied. Included in the process of personal selling, the salesman must be skillful in drawing the listener's attention, arousing his interest, leading him to a desire to buy and finally inviting him to take action to buy. If the customer does not want to buy, the salesman should know how to handle such an occasion in a way that the image of Amway can still be maintained in the customer's mind.

Without this training background, the distributor may lose many sales opportunities that he might have had if he were well trained.

Goods delivery

In general, all goods are delivered to the final user by the distributor. With purchases of more than two hundred dollars, the goods will be transported by the Amway delivery vehicle to the distributor's home. This transportation of goods by distributors may cost distributors much time on the grounds that Hong Kong traffic jams occur anywhere and anytime. The customer may not live close to the distributor's residence. It is time consuming to travel a long way to serve a customer especially when he is absent from home. An emergency call from the user may also upset the delivery planning of the distributor. When the distributor is busy with his regular work, he cannot afford the time

¹ McCarthy E. Jerome, Basic Marketing: A Managerial Approach, (Richard D. Irwin, Inc., 1971,) p. 196.

for such a personal service. It is noted that the traffic expense is the responsibility of the distributor. Since the distributor does not take up the sales training, many of them do not prepare the distribution plan beforehand. This plan would provide the benefit of saving time and delivery expense. Between the time and the traffic expense, it is believed that the former is more valuable to the part-time distributor than the latter and thus constitutes a delivery difficulty to the distributor himself.

Crediting brings about another problem. Sometimes, the distributor has to give credit to the user and collect the bill the next time when the user repurchases or when the distributor meets him again. This may not generate a cash problem to the distributor but may create the difficulty in reckoning the accounts receivable. If the number of customers increases, the distributor may have to set up a filing system so as to recall who has not yet paid. It is wondered if the distributor can handle all his responsibilities effectively with his limited spare time.

Sales promotion and advertising

A sales promotion campaign is just like new blood which will be injected into the body. Without sales promotion, the circle that the company can access to would be broken off. New blood is then never flowing in. It is seldom that Hong Kong Amway conducts a sales promotion campaign. There is neither price-cutting nor gift-presenting on quantity purchases. The latter is in reality utilized to attract customers and hence to promote sales by means of presenting some sort of discount or gifts. In this case, the distributor can hardly be motivated to sell even though there may come a

great chance at festival dates.

Lack of advertising campaigns creates seemingly the biggest obstacle to the sales growth of the Hong Kong Amway. Advertising is considered as a means which conveys a message with the objective of stimulating consumer needs. The image of the product and the company depends on the acceptance level of the user which in turn is dependent on the user's attitudes and beliefs. Advertising is viewed as a powerful means without which there will be no way to know the Company's product. Actually, between the Company and the consumer, advertising takes the role of providing a message which is visualized as a bridge. Therefore, the linkage between the consumer and Hong Kong Amway is broken. The information about the consumer is obtained indirectly through distributors. Even in the monthly rally meeting, seldom occasions are taken to discuss the consumer's response to the product, the price and the service. In addition to the lack of research and development, the above fact leads the company to the handicap of consumer behavior information. Further exploration of the consumer market may then be blocked.

Another problem with the lack of advertising is obviously envisioned from the distributor's point of view. Without the aid of the company's advertising, the distributor has to triple his effort in introducing the company as well as its products. He can even hardly draw attention from the potential customer because the latter has never heard of such a brand before. In the course of selling, the part of introduction may occupy most of the time without any effective result.

Communication problem

Apart from the monthly rally meeting, there are rare chances available for distributors to communicate to one another. During the rally meeting, few distributors participate. In view of the limited time and cost of communication, it is hard to believe that sponsors would hold a gathering for distributors sponsored by themselves. Consequently, even the sponsor is not well aware of his distributor's present situation of progress. Needless to say there is no way for distributors to be motivated and trained.

Product usage

In general, it is no problem for final consumers to use the home-care product. There is always a label of instruction pasted to the package, showing the use of the complicated combination of cosmetics products. It is much better to have a cosmetic supervisor always available in the Amway office. He/she cannot only give advice to those who come to telephone the Amway, but also can demonstrate the use and effect of the Amway cosmetics.

Distributors selling cosmetics are not necessarily qualified to supervise other's make-up skill. They may even not be well acquainted with the nature of the cosmetic products nor with the methods of make-up. As a result, they can hardly give specialist's advice to their customers. There may be direct competition at this point. At the retail stall for cosmetics, there is always a supervisor available giving specific supervision for using the cosmetic products as well as for the tender skill of make-up. It is wondered if the consumer would willingly abandon the advice directly given by the cosmetics specialist at the retail stall and buy the Amway

make up components on which there would be no expertise instructions provided.

All above mentioned problems are to be solved by sales distributors themselves. They have to find out who will be their target customers. They should be responsible for recruiting and training new sales distributors, and for goods delivery.

Since there is no target market for Amway, the sales distributor can sell the product to anyone he likes. However, if a basic assumption is made, the target customer will be indirectly found. The distributor is assumed to sell the product most frequently to the one who is within the social circle of the distributor. For example, if the distributor is a nurse, then he/she will introduce the Amway product to other nurses in most cases. Under this assumption, the target group of customers would be reflected from the group of sales distributors that is the most effective in terms of sales volume per month. In finding the effective group of sales distributors, the relationship between the sales performance of the sales distributor and his demographic background should be found at first.

In addition, which type of sales distributors will develop their sponsoring and sales plan in advance? Do they anticipate the future month sales volume? How many potential sales distributors will they go to sponsor? Do they serve their customers on a regular basis? Do they serve customers living close to their own residence so as to reduce the problem of personal delivery? The group of sales distributor who answers the above questions positively is assumed to have overcome all obstacles in the direct selling. To find out this

group of distributors leads to a field survey, of which the data analysis and findings are to be presented in subsequent chapters. The group of distributors is demographically classified and analysed.

3.4 Summary of Chapter 3

There are many factors favorable to the development of direct selling in Hong Kong. The distribution pattern of the Hong Kong population is the first factor. Housewives residing in remote areas will be better served by door-to-door service. The female work force in recent years has increased tremendously. The income level of a family unit has increased significantly. The consumption power is expected to be larger. Rental rates are quite high in Hong Kong. Running a personal selling business does not incur high overhead.

On the other hand, obstacles are also found in running the Amway company. There is no research and development section nor is there a sales and marketing section within the company. Recruiting and training of new distributors are the responsibility of the sponsor. Unfortunately, not every sponsor is experienced in motivating and training a new salesperson.

Goods delivery is another obstacle to the development of direct selling. Sales distributors are annoyed of delivering goods to the final user because of traffic jam. In addition, the company will not launch a sales promotion campaign nor advertising programme. Sales distributors find it very difficult to introduce the product to the consumer.

4.0 RESEARCH METHODOLOGY AND SAMPLING

4.1 Research Methodology

The objective of this study is to measure the effectiveness of this personal selling system in terms of retail volume per distributor per month in an attempt to find out a way to improve the Company's performance in terms of retail volume. The research concentrated on the performance of distributors as well as sponsors. Final consumers of the Hong Kong Amway products will not be included in this paper. It is rather difficult to contact them without the assistance of the distributor. In addition, the personal selling system may be quite strange to customers. In this study, it is not intended to explore the target consumer group for the Hong Kong Amway. On the other hand, it is observed that most distributors are also users of the Amway products. The answer to the questionnaire is thus expected to represent to some degree the feelings of the user.

Mailing of questionnaires is undertaken as the methodology of this study. It is believed that the mailing of the questionnaire in the company's envelope together with the company's covering letter would provide a higher response since all respondents are Amway employees who may more enthusiastically participate in the company's activity. This method can also cover a wider range of sample than the telephone or personal interview method. It provides the respondent more time to consider a specific question. The time the respondents spend on answering the questions in the questionnaire may not be so

rigid as that spent on the telephone or personal interview. If the time is too exact, the respondent may be too busy to answer the questions at that specific period of time. In view of the above advantages, it is decided to mail the questionnaire to the distributor. Telephone follow-up is to be conducted two weeks after sending the questionnaires.

Informal personal interviews with the manager and staff of the Hong Kong Amway as well as with distributors were also conducted with the objective of acquiring additional data concerning the performance of the distributor.

4.2 Sample Selection

The sample size consists of all distributors of the Hong Kong Amway, irrespective of their age, position held and other demographic factors. It is thought that only the distributor and sponsor can thoroughly understand the personal selling method of Amway and can hence answer question related to the company. There were about 280 distributors in Hong Kong Amway in mid-December of 1975. All distributors were sent an Amway envelope containing two copies of questionnaires and covering letters.¹ These were in English and Chinese. Another covering letter in both English and Chinese, written by the Hong Kong Amway manager, and a stamped and addressed return envelope were also included in the envelope. All questionnaires were mailed out in mid-December of 1975 and were deadlined at the end of January of 1976. During this period, telephone calls were made to each of the respondents as a follow-up.

¹ English version of the questionnaire is enclosed at the beginning of chapter 5. The Chinese version and the covering letter is listed in Appendix II.

4.3 The Questionnaire

The questionnaire is in the form of multiple choice. Only two questions are of the open-end type. This was done to save the distributor's time in filling in the questionnaire as well as to narrow down the scope of this questionnaire to the expectation range of the author. To meet the objective of this study, many questions in this questionnaire are related to the personal selling system of Amway while some are concerned with the respondent's performance. Respondents are requested to fill in the questionnaire anonymously. Hopefully, the fear of being appraised and criticized after answering the questionnaire is eliminated. This should provide a certain element of truth to the responses.

4.4 The Sampling Results

At the end of January of this year, sixty two copies of the questionnaire were received among which three were either uncompleted or failed to complete the important questions. Consequently, 59 copies comprise the data for this study. The response rate is 21.1 per cent of the total sample size. During the period from Mid-December to the end of January, each respondent was reminded of the questionnaire with a telephone follow-up. Some of the respondents did not receive the questionnaire either due to the removal of their residence or their absence from home. A few of questionnaires were lost in the mail and hence could not be placed in the hands of the respondent. In this case, another identical copy of the questionnaire was immediately sent again to the same respondent in an attempt to complete the mailing.

In addition, many comments and ideas were drawn from the informal personal interviews. The relevant data would also be included

for analysis and recommendations.

4.5 The Analysis Technique

In order to insure accuracy and to save time in the tabulation of data drawn from the questionnaires received, the computer package programme was adopted, i.e. multiple cross tabulation (MTAB). The computer package programmes and facilities were provided by the Computer Service Terminal of the Chinese University of Hong Kong. All variables in the questionnaire will be cross-tabulated with the demographic data of the respondent. It was hoped that problems of practical selling and sponsoring as well as the most effective sales and sponsoring group would be found.

4.6 Summary of Chapter 4

Securing information via the direct mail questionnaire is the research technique used in this study. This technique can provide detailed answers.

Informal personal interviews with the manager and staff of Hong Kong Amway as well as with distributors were also conducted. The sample size consists of all distributors of Hong Kong Amway. Only they can understand the personal selling method of Amway and can hence answer questions related to the Company.

In total, two hundred and eighty copies of questionnaire were sent out. Sixty two copies were returned. Three copies were either uncompleted or failed to complete the important questions. Consequently, 59 copies were valid for analysis only. The response rate is twenty one per cent of the total sample size.

5.0 ANALYSIS OF PRIMARY DATA COLLECTED

Questions in the questionnaire are mainly related to the personal selling system of Amway. The objective of setting this questionnaire is to measure the performance of distributors as well as their personal feeling of the Amway system.

The questionnaire is roughly divided into four parts. First part comprises six questions from question number one to six. The purpose of asking these questions is to measure the feeling of distributors about the Amway selling system. Second part begins with question number seven and is up to question number fourteen. This part is concerned with the performance of distributors. Do distributors have a sales target and prepare an advance sales plan? Third part is from question number fifteen to twenty four. These ten questions measure the standard of being a potential distributor that the sponsors would set. Last part is for classification of respondents, according to their age, salary income, education level, career, marital status etc.

The questionnaire is stated as below and the detailed analysis of the questions responded will be followed accordingly.

QUESTIONNAIRE: Your answers to all questions below will be kept highly confidential.

Questionnaire Leave this
No. Volume 1-3
Card No: 4

1. Which one of the following regarding the Amway distribution system makes you join Amway?
What is the second most attractive? 5-6
 - a. A chance to earn part-time additional income. 1
 - b. 30% discount of the goods you sell. 2
 - c. Free to sell. (No compulsory sales target and stock) 3
 - d. A realistic opportunity to build your own business. 4
 - e. 100% guarantee on product quality. 5
 - f. Other reasons. Please specify 6
1st _____ 2nd _____

2. After joining Amway, which one of the above is most attractive to you? 7-8
The second most? 1st _____ 2nd _____ 1-6

3. What are the problems in the Amway distribution 9-10
 - a. Trouble in delivering goods to customers. 1
 - b. Bearing all responsibilities of a retailer, i.e. stocking, bad debt risk. 2
 - c. Promotion is done only by you through mouth-to-mouth channel. 3
 - d. 30% discount rate is too low. 4
 - e. Communication problems i.e. between sponsors and distributors or between distributors and customers. 5
 - f. Others. Please specify 6

 - g. No problems. 7
1st _____ 2nd _____

4. Would this problem depress you not to sell Amway products enthusiastically and not to sponsor others? Yes _____ No _____ 1-2 11

5. Are most of your present customers living close to your residence? 12
Yes _____ No _____ 1-2

6. In the course of selling Amway products, what problems do you encounter most frequently? The second most? 13-14
 - a. The price is non-acceptable to the customers. 1
 - b. Customers are not confident in using a new brand product. 2

- c. Customers usually have brand loyalty already. 3
d. Customers can not realize the advantage of Amway products. 4
e. Customers are not used to using concentrated products like Amway's. 5
f. Others. Specify _____ 6
7. How often you would again intend to remind your present customers of re-purchasing Amway products? _____ 15-16
8. What is the time lag before you introduce another Amway products to your present customers? _____ 17-18
9. How many customers do you serve at present? _____ 19-20
10. What was your own sales volume last month? _____ 21-25
11. Do you prepare a plan of sales in advance? 1-2 26
Yes _____ (go to 12) No _____ (go to 14)
12. How do you forecast the target sales volume? _____ 54
- 13A. Do you usually plan to expand the number of new customers for the future period? 27
Yes _____ No _____ 1-2
- 13B. How many new customers do you intend to increase per month? _____ 28-29
14. In your estimate, what will be your own sales volume next month? _____ 30-34
15. Are you a sponsor? Yes _____ (go to 16) No _____ (go to 25) 1-2 35
16. Usually, when you introduce the Amway distribution system to prospective distributors, do they feel this system is too complicated to understand? 36
Yes _____ No _____ 1-2
17. How many percentage of them are confident in being a new distributor after being introduced to Amway _____? 37-39
18. How many percentage of them are showing interest after first hearing of Amway? _____ 40-42
19. Do you have a future plan of sponsoring new distributors? Yes _____ No _____ (go to 21) 1-2 43

20. How many new distributors are you going to sponsor per month? _____ 44-45
21. At what education level would you like to sponsor a new distributor? 46-67
- Primary 1
 - Secondary 2
 - Post-secondary/university 3
 - Professional 4
 - Others. Please specify _____ 5
22. Most frequently, in the course of sponsoring, what difficulties do you meet? The second most? 48-49
- Potential new distributors are not confident in this system. 1
 - They don't like to be a salesman 2
 - Difficult to present this complicated system in simple words. 3
 - No difficulties. 4
 - Others. Please specify _____ 5
1st _____ 2nd _____
23. Is there a limit that would stop expanding the Amway distribution system eventually? 50
Yes _____ No _____ 1-2
- 23A. If yes, what is the limit?

24. Based on what criteria, you would sponsor a new distributor? 51-52
- Ambitiousness 1-2
 - Confidence 3
 - Personality (Human relationship) 4
 - Maturity 5
 - Initiativeness 6
 - Education Level 7
 - Others. Please specify _____
1st _____ 2nd _____
25. In what age range do you fall? 53
- Under 20 1
 - 21-30 2
 - 31-40 3
 - 41-50 4
 - Over 50 5
26. In what range does your personal income fall? 54
- Less than 1,000 1
 - 1,000-2,000 2

| | | |
|--|-----|----|
| c. 2,000-3,000 | 3 | |
| d. 3,000-4,000 | 4 | |
| e. 4,000-5,000 | 5 | |
| f. Over 5,000 | 6 | |
| 27. What is the highest level of education you have completed? | | 55 |
| a. No formal schooling | 1 | |
| b. Primary | 2 | |
| c. Some secondary | 3 | |
| d. Secondary completed | 4 | |
| e. Post-secondary/university | 5 | |
| 28. Position in the company/manufacture.....etc. | | 56 |
| a. Business executive | 1 | |
| b. Professional | 2 | |
| c. White collar worker | 3 | |
| d. Blue collar worker | 4 | |
| e. Student/unemployed/retired | 5 | |
| f. Housewife | 6 | |
| g. Others | 7 | |
| 29. Are you married? Yes _____ No _____ | 1-2 | 58 |
| 30. Sex Male _____ female _____ | 1-2 | 58 |
| 31. Nationality: Chinese _____ Non-Chinese _____ | 1-2 | 59 |

- END -

5.1 Distributors' Age

Among the respondents, most fall within the age group of twenty to thirty. This segment comprises 64.4 per cent of the total sample size and dominates the whole population. No respondent is below 20 years of age and only 2 are over the age of 50.

Motives and obstacles

Prior to the respondents joining Hong Kong Amway, all of them were appreciative of the chance offered to earn an additional income on a part-time basis. Upon joining Hong Kong Amway, they became distributors and practised this personal selling system. In general, at this stage, various advantage factors can possibly form the prime motivation key to each age group. But the factor of earning additional income still dominates over other factors, as illustrated in Table 5.1.2. In Table 5.1.3, it is seen that regardless of all age groups, the factor of no advertising of the Amway is popularly viewed as a major obstacle to this personal selling system. Closely adhered with this obstacle is the trouble of personal delivery. However, the above obstacles cause no depression feeling to half of the total respondents, who still feel confident in their job more so than any other age groups. The age group of 20 to 30 is comparatively a little more depressed by the above mentioned obstacles. The result is shown in Table 5.1.4. Most respondents have to serve customers whose residences are far away from respondents', as shown in Table 5.1.5.

TABLE 5.1.1 AGE VS ATTRACTIVENESS OF AMWAY SELLING SYSTEM BEFORE JOINING-IN

ATTRACTIVENESS OF AMWAY SELL SYS. 'BEF. IN=
ADDN+L 30% FREE TO OWN 100% OTHER NO
BASE INCOME DISCONT. SELL BUSIN. QUARTER REASON ANSWER

| DISTRIBUTORS' AGE GROUP | | 59 | 27 | 10 | 10 | 4 | 3 | 4 | 1 |
|-------------------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 45.8 | 16.9 | 16.9 | 6.8 | 5.1 | 6.8 | 1.7 |
| | | ***** | | | | | | | |
| UNDER 20 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | | 38 | 17 | 7 | 5 | 3 | 3 | 3 | 0 |
| | COL. % | 64.4 | 33.0 | 70.0 | 50.0 | 75.0 | 100.0 | 75.0 | 0.0 |
| | ROW % | 100.0 | 44.7 | 18.4 | 13.2 | 7.9 | 7.9 | 7.9 | 0.0 |
| 30 - UNDER 40 | | 13 | 7 | 0 | 4 | 1 | 0 | 1 | 0 |
| | COL. % | 22.0 | 25.9 | 0.0 | 40.0 | 25.0 | 0.0 | 25.0 | 0.0 |
| | ROW % | 100.0 | 53.8 | 0.0 | 30.8 | 7.7 | 0.0 | 7.7 | 0.0 |
| 40 - UNDER 50 | | 6 | 3 | 3 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 10.2 | 11.1 | 30.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 50.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER 50 | | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| | COL. % | 3.4 | 0.0 | 0.0 | 10.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.1.2 AGE VS ATTRACTIVENESS OF AMWAY SELLING SYSTEM AFTER JOINING-IN

| | | ***** | | | | | | | |
|-------------------------|--------|---|-------|-------|-------|-------|-------|-------|-------|
| | | ATTRACTION OF ASS 'AFTER JOINING-IN= | | | | | | | |
| | | ADDN+L 30% FREETO OWN 100% OTHER NO | | | | | | | |
| | | BASE INCOME DISCOTSELL BUSIN. QUARTER REASON ANSWER | | | | | | | |
| | | ***** | | | | | | | |
| DISTRIBUTORS' AGE GROUP | | 59 | 13 | 12 | 11 | 8 | 6 | 3 | 6 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 22.0 | 20.3 | 18.6 | 13.6 | 10.2 | 5.1 | 10.2 |
| | | ***** | | | | | | | |
| UNDER 20 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | | 38 | 10 | 6 | 6 | 6 | 5 | 2 | 3 |
| | COL. % | 64.4 | 76.9 | 50.0 | 54.5 | 75.0 | 83.3 | 66.7 | 50.0 |
| | ROW % | 100.0 | 26.3 | 15.8 | 15.8 | 15.8 | 13.2 | 5.3 | 7.9 |
| 30 - UNDER 40 | | 13 | 3 | 2 | 2 | 2 | 1 | 1 | 2 |
| | COL. % | 22.0 | 23.1 | 16.7 | 18.2 | 25.0 | 16.7 | 33.3 | 33.3 |
| | ROW % | 100.0 | 23.1 | 15.4 | 15.4 | 15.4 | 7.7 | 7.7 | 15.4 |
| 40 - UNDER 50 | | 6 | 0 | 4 | 2 | 0 | 0 | 0 | 0 |
| | COL. % | 10.2 | 0.0 | 33.3 | 18.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 66.7 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER 50 | | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| | COL. % | 3.4 | 0.0 | 0.0 | 9.1 | 0.0 | 0.0 | 0.0 | 16.7 |
| | ROW % | 100.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | |

TABLE 5.1.3 AGE VS OBSTACLES OF AMWAY SELLING SYSTEM

| ***** | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| OBSTACLES OF AMWAY SELLING SYSTEM | | | | | | | | | |
| PERN+LDUTYOF NO 30%TOCCOMMU. OTHER NO NO | | | | | | | | | |
| BASEDELIVYRETAIL ADS LESS PROBLM PROBMOSSELEANSWER | | | | | | | | | |
| ***** | | | | | | | | | |
| DISTRIBUTORS' AGE GROUP | 59 | 16 | 7 | 25 | 3 | 5 | 1 | 0 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 11.9 | 42.4 | 5.1 | 8.5 | 1.7 | 0.0 | 3.4 |
| ***** | | | | | | | | | |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | 38 | 12 | 5 | 15 | 2 | 2 | 1 | 0 | 1 |
| COL. % | 64.4 | 75.0 | 71.4 | 60.0 | 66.7 | 40.0 | 100.0 | 0.0 | 50.0 |
| ROW % | 100.0 | 31.6 | 13.2 | 39.5 | 5.3 | 5.3 | 2.6 | 0.0 | 2.6 |
| 30 - UNDER 40 | 13 | 3 | 1 | 5 | 1 | 3 | 0 | 0 | 0 |
| COL. % | 22.0 | 18.7 | 14.3 | 20.0 | 33.3 | 60.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 23.1 | 7.7 | 38.5 | 7.7 | 23.1 | 0.0 | 0.0 | 0.0 |
| 40 - UNDER 50 | 6 | 1 | 1 | 4 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 10.2 | 6.2 | 14.3 | 16.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 16.7 | 16.7 | 66.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER 50 | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| COL. % | 3.4 | 0.0 | 0.0 | 4.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | |

TABLE 5.1.4 AGE VS DEPRESSION TO SELL DUE TO THE ABOVE OBSTACLES

| ***** | | | | |
|-------------------------|-------|-------|-------|-------|
| DEPRESSION TO SELL | | | | |
| YES NO NO | | | | |
| BASE ANSWER ANSWER | | | | |
| ***** | | | | |
| DISTRIBUTORS' AGE GROUP | 59 | 30 | 28 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 50.8 | 47.5 | 1.7 |
| ***** | | | | |
| UNDER 20 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | 38 | 21 | 16 | 1 |
| COL. % | 64.4 | 70.0 | 57.1 | 100.0 |
| ROW % | 100.0 | 55.3 | 42.1 | 2.6 |
| 30 - UNDER 40 | 13 | 6 | 7 | 0 |
| COL. % | 22.0 | 20.0 | 25.0 | 0.0 |
| ROW % | 100.0 | 46.2 | 53.8 | 0.0 |
| 40 - UNDER 50 | 6 | 2 | 4 | 0 |
| COL. % | 10.2 | 6.7 | 14.3 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| OVER 50 | 2 | 1 | 1 | 0 |
| COL. % | 3.4 | 3.3 | 3.6 | 0.0 |
| ROW % | 100.0 | 50.0 | 50.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

TABLE 5.1.5 AGE GROUP VS RESIDENCE OF CUSTOMERS

| ***** | | | | |
|---------------------|--|--|--|--|
| CUSTOMER RESIDENCE | | | | |
| YES NO NO | | | | |
| BASE | | | | |

In the course of selling

In the course of personal selling of the Amway products, the price seems unacceptable to the consumer from the viewpoint of the distributor who directly sells the product to the final user. In Table 5.1.6, 55.9 per cent of respondents considered the price of the Amway product to be too high for them to penetrate the consumer market. Strangely enough, the age group of 40 to 50 considered that every problem listed in the questionnaire would possibly be a difficulty met in the course of selling, i.e. the customer does not have confidence in attempting a new brand of product, the user already had brand loyalty.

In the subsequent two tables, it is seen that most of the respondents, regardless of the age group, do not remind their customers to re-purchase nor introduce another new product to them on a regular basis. The results shown in the questionnaire indicate that 44.1 per cent of the sample sells and introduces a new product whenever they have the chance. They do not take the active part of serving their customers regularly. Only a small percentage of the subject services their customers on a monthly basis with the age group of thirty to forty more actively involved in this monthly service.

Self-appraisal of performance

Forty per cent of the respondent at present have either 5 customers or over 18. Most of them did not know their sales volume of last month. It is observed in Table 5.1.10 that twenty-seven per cent of the respondent had a sales volume below HK\$100 last month (November, 1975).

TABLE 5.1.6 AGE GROUP VS PROBLEMS DURING SELLING

| ***** | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| PROBLEM ENCOUNTERED DURING SELLING PROCESS | | | | | | | | |
| HIGH NO CON BRAND NOT TOO OTHERS NO | | | | | | | | |
| BASEPRICE ON NEWLOYALT AWARE CONC. ANSWER | | | | | | | | |
| ***** | | | | | | | | |
| DISTRIBUTORS' AGE GROUP | 59 | 33 | 12 | 5 | 3 | 3 | 2 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 55.9 | 20.3 | 8.5 | 5.1 | 5.1 | 3.4 | 1.7 |
| ***** | | | | | | | | |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | 38 | 23 | 10 | 2 | 1 | 0 | 2 | 0 |
| COL. % | 64.4 | 69.7 | 83.3 | 40.0 | 33.3 | 0.0 | 100.0 | 0.0 |
| ROW % | 100.0 | 60.5 | 26.3 | 5.3 | 2.6 | 0.0 | 5.3 | 0.0 |
| 30 - UNDER 40 | 13 | 8 | 0 | 1 | 1 | 3 | 0 | 0 |
| COL. % | 22.0 | 24.2 | 0.0 | 20.0 | 33.3 | 100.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 61.5 | 0.0 | 7.7 | 7.7 | 23.1 | 0.0 | 0.0 |
| 40 - UNDER 50 | 6 | 1 | 2 | 2 | 1 | 0 | 0 | 0 |
| COL. % | 10.2 | 3.0 | 16.7 | 40.0 | 33.3 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 16.7 | 33.3 | 33.3 | 16.7 | 0.0 | 0.0 | 0.0 |
| OVER 50 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| COL. % | 3.4 | 3.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| ROW % | 100.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.1.7 AGE GROUP VS TIME LAG TO REMIND CUSTOMERS TO STOCK

| ***** | | | | | | | | |
|---------------------------------------|-----------|--------|-------|-------|-------|--------|--------|-------|
| TIME LAG TO REMIND CUSTOMERS TO STOCK | | | | | | | | |
| | ONE | TWO | THREE | FOUR | FIVE | OVER | NO | |
| | BASEMONTH | MONTHS | MON. | MON. | MON. | 5 MON. | ANSWER | |
| ***** | | | | | | | | |
| DISTRIBUTORS' AGE GROUP | 59 | 17 | 9 | 4 | 1 | 0 | 2 | 26 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 28.8 | 15.3 | 6.8 | 1.7 | 0.0 | 3.4 | 44.1 |
| ***** | | | | | | | | |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | 38 | 11 | 6 | 3 | 1 | 0 | 1 | 16 |
| COL. % | 64.4 | 64.7 | 66.7 | 75.0 | 100.0 | 0.0 | 50.0 | 61.5 |
| ROW % | 100.0 | 28.9 | 15.8 | 7.9 | 2.6 | 0.0 | 2.6 | 42.1 |
| 30 - UNDER 40 | 13 | 5 | 2 | 0 | 0 | 0 | 0 | 6 |
| COL. % | 22.0 | 29.4 | 22.2 | 0.0 | 0.0 | 0.0 | 0.0 | 23.1 |
| ROW % | 100.0 | 38.5 | 15.4 | 0.0 | 0.0 | 0.0 | 0.0 | 46.2 |
| 40 - UNDER 50 | 6 | 1 | 1 | 1 | 0 | 0 | 1 | 2 |
| COL. % | 10.2 | 5.9 | 11.1 | 25.0 | 0.0 | 0.0 | 50.0 | 7.7 |
| ROW % | 100.0 | 16.7 | 16.7 | 16.7 | 0.0 | 0.0 | 16.7 | 33.3 |
| OVER 50 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| COL. % | 3.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.7 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.1.8 AGE VS TIME LAG TO INTRODUCE ANOTHER PRODUCT TO CUSTOMERS

| ***** | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|-------|--------|--------|
| TIME LAG TO INTRODUCE ANOTHER PRODUCT | | | | | | | | |
| | ONE | TWO | THREE | FOUR | FIVE | OVER | NO | |
| | BASE | MONS. | MONS. | MON. | MON. | MON. | 5 MON. | ANSWER |
| ***** | | | | | | | | |
| DISTRIBUTORS' AGE GROUP | 59 | 13 | 9 | 3 | 1 | 0 | 2 | 31 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 15.3 | 5.1 | 1.7 | 0.0 | 3.4 | 52.5 |
| ***** | | | | | | | | |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | 38 | 9 | 4 | 2 | 1 | 0 | 1 | 21 |
| COL. % | 64.4 | 69.2 | 44.4 | 66.7 | 100.0 | 0.0 | 50.0 | 67.7 |
| ROW % | 100.0 | 23.7 | 10.5 | 5.3 | 2.6 | 0.0 | 2.6 | 55.3 |
| 30 - UNDER 40 | 13 | 3 | 4 | 0 | 0 | 0 | 0 | 6 |
| COL. % | 22.0 | 23.1 | 44.4 | 0.0 | 0.0 | 0.0 | 0.0 | 19.4 |
| ROW % | 100.0 | 23.1 | 30.8 | 0.0 | 0.0 | 0.0 | 0.0 | 46.2 |
| 40 - UNDER 50 | 6 | 1 | 1 | 1 | 0 | 0 | 1 | 2 |
| COL. % | 10.2 | 7.7 | 11.1 | 33.3 | 0.0 | 0.0 | 50.0 | 6.5 |
| ROW % | 100.0 | 16.7 | 16.7 | 16.7 | 0.0 | 0.0 | 16.7 | 33.3 |
| OVER 50 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| COL. % | 3.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.5 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.1.9 AGE GROUP VS NUMBER OF PRESENT CUSTOMERS

| | | ***** | | | | | | | | | |
|-------------------------|------------|-----------------------------|-------|-------|-------|-------|-------|-------|---------|-----------|-------|
| | | NUMBER OF PRESENT CUSTOMERS | | | | | | | | | |
| | | 1 | 3 | 5 | 7 | 9 | 13 | 18 | OVER 18 | NO ANSWER | |
| | | ***** | | | | | | | | | |
| DISTRIBUTORS' AGE GROUP | BASECUSTOM | 59 | 6 | 6 | 11 | 4 | 4 | 7 | 4 | 11 | 2 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 10.9 | 10.9 | 20.0 | 7.3 | 7.3 | 12.7 | 7.3 | 20.0 | 3.6 |
| | | ***** | | | | | | | | | |
| UNDER 20 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | | 38 | 4 | 2 | 9 | 3 | 2 | 5 | 2 | 7 | 1 |
| | COL. % | 64.4 | 66.7 | 33.3 | 81.8 | 75.0 | 50.0 | 71.4 | 50.0 | 63.6 | 50.0 |
| | ROW % | 100.0 | 11.4 | 5.7 | 25.7 | 8.6 | 5.7 | 14.3 | 5.7 | 20.0 | 2.9 |
| 30 - UNDER 40 | | 13 | 0 | 3 | 1 | 0 | 2 | 2 | 2 | 3 | 0 |
| | COL. % | 22.0 | 0.0 | 50.0 | 9.1 | 0.0 | 50.0 | 28.6 | 50.0 | 27.3 | 0.0 |
| | ROW % | 100.0 | 0.0 | 23.1 | 7.7 | 0.0 | 15.4 | 15.4 | 15.4 | 23.1 | 0.0 |
| 40 - UNDER 50 | | 6 | 2 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 0 |
| | COL. % | 10.2 | 33.3 | 16.7 | 0.0 | 25.0 | 0.0 | 0.0 | 0.0 | 9.1 | 0.0 |
| | ROW % | 100.0 | 40.0 | 20.0 | 0.0 | 20.0 | 0.0 | 0.0 | 0.0 | 20.0 | 0.0 |
| OVER 50 | | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | COL. % | 3.4 | 0.0 | 0.0 | 9.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | | | |

TABLE 5.1.8 AGE VS TIME LAG TO INTRODUCE ANOTHER PRODUCT TO CUSTOMERS

| ***** | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| TIME LAG TO INTRODUCE ANOTHER PRODUCT | | | | | | | | |
| ONE TWO THREE FOUR FIVE OVER NO | | | | | | | | |
| BASE MONS. MONS. MON. MON. MON.5 MON. ANSWER | | | | | | | | |
| ***** | | | | | | | | |
| DISTRIBUTORS' AGE GROUP | 59 | 13 | 9 | 3 | 1 | 0 | 2 | 31 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 15.3 | 5.1 | 1.7 | 0.0 | 3.4 | 52.5 |
| ***** | | | | | | | | |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | 38 | 9 | 4 | 2 | 1 | 0 | 1 | 21 |
| COL. % | 64.4 | 69.2 | 44.4 | 66.7 | 100.0 | 0.0 | 50.0 | 67.7 |
| ROW % | 100.0 | 23.7 | 10.5 | 5.3 | 2.6 | 0.0 | 2.6 | 55.3 |
| 30 - UNDER 40 | 13 | 3 | 4 | 0 | 0 | 0 | 0 | 6 |
| COL. % | 22.0 | 23.1 | 44.4 | 0.0 | 0.0 | 0.0 | 0.0 | 19.4 |
| ROW % | 100.0 | 23.1 | 30.8 | 0.0 | 0.0 | 0.0 | 0.0 | 46.2 |
| 40 - UNDER 50 | 6 | 1 | 1 | 1 | 0 | 0 | 1 | 2 |
| COL. % | 10.2 | 7.7 | 11.1 | 33.3 | 0.0 | 0.0 | 50.0 | 6.5 |
| ROW % | 100.0 | 16.7 | 16.7 | 16.7 | 0.0 | 0.0 | 16.7 | 33.3 |
| OVER 50 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| COL. % | 3.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.5 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

Self-estimate of advance performance

Lack of an advance salesplan is frequently seen in the complete subject group. However, comparatively most thirty to forty years old respondents would prepare the sales plan, as was shown in Table 5.1.11. Although most respondents do not have an advance sales plan, they do want to increase the number of their customers as well as their sales volume in anticipated months. It is seen in Table 5.1.12 that fifty per cent of the respondents claimed to increase over 18 customers next month,¹ compared with the fact that only twenty per cent of the sample had over eighteen customers last month (refer to Table 5.1.9). The most significant increase in number of potential customers falls in the age group of over 50 and 30 to 40.

Along with the increase in the number of customers anticipated by distributors themselves, the next month's sales volume is forecasted to be raised enormously. Table 5.1.13 illustrates the fact that 46.6 per cent of all respondents foresee that the sales volume would be over HK\$500 one month ahead, compared with the current situation of 10.2% in November 1975 (Refer to Table 5.1.10). The greatest increase in sales volume is associated with the age group of 20 to 30 and over 50.

In view of the above results, the age group of 20 to 30 would be the most productive in increasing sales volume per new customer in

¹ The questionnaire was sent in December, 1975. 'Last month' thus means November of 1975. 'Next month', 'the following month' would mean exactly December. Unless otherwise noted, all subsequent mentioning of the 'last month', 'next month' and 'the following months' would exactly carry the same meaning as above correspondingly.

LINGNAN INSTITUTE OF BUSINESS ADMINISTRATION

MASTER THESIS - DIRECT SELLING SURVEY BY HO YU CHOI

TABLE 5.1.11 AGE GROUP VS ADVANCE SALES PLANNING

| ***** | | | | |
|-------------------------|-------|-------|-------|-------|
| ADVANCE SALES PLAN | | | | |
| YES NO NO | | | | |
| BASE ANSWER ANSWER | | | | |
| ***** | | | | |
| DISTRIBUTORS' AGE GROUP | 59 | 16 | 41 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 69.5 | 3.4 |
| ***** | | | | |
| UNDER 20 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | 38 | 9 | 28 | 1 |
| COL. % | 64.4 | 56.2 | 68.3 | 50.0 |
| ROW % | 100.0 | 23.7 | 73.7 | 2.6 |
| 30 - UNDER 40 | 13 | 5 | 8 | 0 |
| COL. % | 22.0 | 31.3 | 19.5 | 0.0 |
| ROW % | 100.0 | 38.5 | 61.5 | 0.0 |
| 40 - UNDER 50 | 6 | 2 | 3 | 1 |
| COL. % | 10.2 | 12.5 | 7.3 | 50.0 |
| ROW % | 100.0 | 33.3 | 50.0 | 16.7 |
| OVER 50 | 2 | 0 | 2 | 0 |
| COL. % | 3.4 | 0.0 | 4.9 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

LINGNAN INSTITUTE OF BUSINESS ADMINISTRATION

MASTER THESIS - DIRECT SELLING SURVEY BY HO YU-CHOI

TABLE 5.1.12 AGE GROUP VS FORECAST OF NUMBER OF NEW CUSTOMERS

| ***** | | | | | | | | | | | |
|-------------------------------------|-------|--------|--------|-------|-------|-------|-------|-------|-------|-------|--------|
| FORECAST OF NUMBER OF NEW CUSTOMERS | | | | | | | | | | | |
| | 0 | 1 | BELOW | BELOW | BELOW | BELOW | BELOW | BELOW | OVER | NO | |
| | BASE | CUSTOM | CUSTOM | 3 | 5 | 7 | 9 | 13 | 18 | 18 | ANSWER |
| ***** | | | | | | | | | | | |
| DISTRIBUTORS' AGE GROUP | 59 | 7 | 10 | 4 | 0 | 0 | 6 | 0 | 1 | 28 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 12.5 | 17.9 | 7.1 | 0.0 | 0.0 | 10.7 | 0.0 | 1.8 | 50.0 | 0.0 |
| ***** | | | | | | | | | | | |

| | | | | | | | | | | | |
|----------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | | | |
|---------------|-------|------|------|------|-----|-----|------|-----|-----|------|-----|
| 20 - UNDER 30 | 38 | 4 | 7 | 3 | 0 | 0 | 5 | 0 | 0 | 16 | 0 |
| COL. % | 64.4 | 57.1 | 70.0 | 75.0 | 0.0 | 0.0 | 83.3 | 0.0 | 0.0 | 57.1 | 0.0 |
| ROW % | 100.0 | 11.4 | 20.0 | 8.6 | 0.0 | 0.0 | 14.3 | 0.0 | 0.0 | 45.7 | 0.0 |

| | | | | | | | | | | | |
|---------------|-------|------|------|-----|-----|-----|-----|-----|-------|------|-----|
| 30 - UNDER 40 | 13 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 1 | 8 | 0 |
| COL. % | 22.0 | 28.6 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 28.6 | 0.0 |
| ROW % | 100.0 | 15.4 | 15.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.7 | 61.5 | 0.0 |

| | | | | | | | | | | | |
|---------------|-------|------|------|------|-----|-----|------|-----|-----|------|-----|
| 40 - UNDER 50 | 6 | 1 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 2 | 0 |
| COL. % | 10.2 | 14.3 | 10.0 | 25.0 | 0.0 | 0.0 | 16.7 | 0.0 | 0.0 | 7.1 | 0.0 |
| ROW % | 100.0 | 16.7 | 16.7 | 16.7 | 0.0 | 0.0 | 16.7 | 0.0 | 0.0 | 33.3 | 0.0 |

| | | | | | | | | | | | |
|---------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-------|-----|
| OVER 50 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| COL. % | 3.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.1 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 |

| | | | | | | | | | | | |
|-----------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

LINGNAN INSTITUTE OF BUSINESS ADMINISTRATION

MASTER THESIS - DIRECT SELLING SURVEY BY HO YU-CHOI

TABLE 5.1.13 AGE GROUP VS FORECAST OF SALES VOLUME NEXT MONTH

FORECAST OF NEXT MONTH'S SALES VOLUME 'HK \$=

0 100 200 300 400 500 OVER NO

BASE

500 ANSWER

| DISTRIBUTORS' AGE GROUP | 59 | 12 | 6 | 4 | 1 | 5 | 3 | 27 | 0 |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 20.7 | 10.3 | 6.9 | 1.7 | 8.6 | 5.2 | 46.6 | 0.0 |

| | | | | | | | | | |
|----------|-------|-----|-----|-----|-----|-----|-----|-----|-----|
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | |
|---------------|-------|------|------|------|-------|------|------|------|-----|
| 20 - UNDER 30 | 38 | 7 | 4 | 2 | 1 | 3 | 2 | 18 | 0 |
| COL. % | 64.4 | 58.3 | 66.7 | 50.0 | 100.0 | 60.0 | 66.7 | 66.7 | 0.0 |
| ROW % | 100.0 | 18.9 | 10.8 | 5.4 | 2.7 | 8.1 | 5.4 | 48.6 | 0.0 |

| | | | | | | | | | |
|---------------|-------|------|------|------|-----|------|------|------|-----|
| 30 - UNDER 40 | 13 | 3 | 1 | 2 | 0 | 1 | 1 | 5 | 0 |
| COL. % | 22.0 | 25.0 | 16.7 | 50.0 | 0.0 | 20.0 | 33.3 | 18.5 | 0.0 |
| ROW % | 100.0 | 23.1 | 7.7 | 15.4 | 0.0 | 7.7 | 7.7 | 38.5 | 0.0 |

| | | | | | | | | | |
|---------------|-------|------|------|-----|-----|------|-----|------|-----|
| 40 - UNDER 50 | 6 | 2 | 1 | 0 | 0 | 1 | 0 | 2 | 0 |
| COL. % | 10.2 | 16.7 | 16.7 | 0.0 | 0.0 | 20.0 | 0.0 | 7.4 | 0.0 |
| ROW % | 100.0 | 33.3 | 16.7 | 0.0 | 0.0 | 16.7 | 0.0 | 33.3 | 0.0 |

| | | | | | | | | | |
|---------|-------|-----|-----|-----|-----|-----|-----|-------|-----|
| OVER 50 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| COL. % | 3.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.4 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 |

| | | | | | | | | | |
|-----------|-------|-----|-----|-----|-----|-----|-----|-----|-----|
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

the forthcoming month. It is also noted that in Table 5.1.13, 20.7 per cent of respondents forecast that there would be no contribution of sales from them, especially from the age group of 40 to 50 in the following month.

The sponsor

It is surprising to see in Table 5.1.14 that 54.2 per cent of the respondents are not sponsors. Becoming a sponsor is easy as there is no additional requirement. The Hong Kong Amway also emphasizes the dual role of selling and sponsoring. Over 50 per cent of the subjects have not yet sponsored anyone. However, most of the age group of 30 to 40 in this respect do enjoy the sponsorship.

The advance sponsoring plan

In Table 5.1.15, it is envisioned that most sponsors do not prepare an advance sponsoring plan with the exception of the age group of 20 to 30, of which nearly 50 per cent do well prepare. As was shown in Table 5.1.16, the sponsors having a sponsoring plan would usually plan to sponsor one new distributor on a monthly basis, especially those in the age group of 20 to 30. Consequently, the age group of 20 to 30 is considered as the most effective sponsor.

The implicit requirements of the prospective distributor

From the view point of the sponsor, the educational level of the potential distributor is expected to be those who have secondary education completed as well as professional training. With the exception of the age group of twenty to thirty, other sponsors of

TABLE 5.1.14 AGE GROUP VS WHETHER OR NOT A SPONSOR

| ***** | | | | | |
|-------------------------|--------|-------|-------|-------|-------|
| IF A SPONSOR £ | | | | | |
| YES NO NO | | | | | |
| BASE ANSWER | | | | | |
| ***** | | | | | |
| DISTRIBUTORS' AGE GROUP | | 59 | 27 | 32 | 0 |
| | | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 45.8 | 54.2 | 0.0 |
| ***** | | | | | |
| UNDER 20 | | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | | 38 | 17 | 21 | 0 |
| | COL. % | 64.4 | 63.0 | 65.6 | 0.0 |
| | ROW % | 100.0 | 44.7 | 55.3 | 0.0 |
| 30 - UNDER 40 | | 13 | 8 | 5 | 0 |
| | COL. % | 22.0 | 29.6 | 15.6 | 0.0 |
| | ROW % | 100.0 | 61.5 | 38.5 | 0.0 |
| 40 - UNDER 50 | | 6 | 2 | 4 | 0 |
| | COL. % | 10.2 | 7.4 | 12.5 | 0.0 |
| | ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| OVER 50 | | 2 | 0 | 2 | 0 |
| | COL. % | 3.4 | 0.0 | 6.2 | 0.0 |
| | ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | |

TABLE 5.1.15 AGE GROUP VS SPONSORSE SPONSORING PLAN OR NOT

| | | ***** | | | | |
|-------------------------|--------|--------------------------|-------|-------|-------|--------|
| | | SPONSORS+SPONSORING PLAN | | | | |
| | | NON | YES | NO | NO | |
| | | BASESPONSO | | | | ANSWER |
| | | ***** | | | | |
| DISTRIBUTORS' AGE GROUP | | 59 | 31 | 10 | 17 | 1 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 52.5 | 16.9 | 28.8 | 1.7 |
| | | ***** | | | | |
| UNDER 20 | | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | | 38 | 20 | 8 | 9 | 1 |
| | COL. % | 64.4 | 64.5 | 80.0 | 52.9 | 100.0 |
| | ROW % | 100.0 | 52.6 | 21.1 | 23.7 | 2.6 |
| 30 - UNDER 40 | | 13 | 5 | 1 | 7 | 0 |
| | COL. % | 22.0 | 16.1 | 10.0 | 41.2 | 0.0 |
| | ROW % | 100.0 | 38.5 | 7.7 | 53.8 | 0.0 |
| 40 - UNDER 50 | | 6 | 4 | 1 | 1 | 0 |
| | COL. % | 10.2 | 12.9 | 10.0 | 5.9 | 0.0 |
| | ROW % | 100.0 | 66.7 | 16.7 | 16.7 | 0.0 |
| OVER 50 | | 2 | 2 | 0 | 0 | 0 |
| | COL. % | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | |

different age groups are seen to have no favourite qualification for being a new distributor. This is shown in Table 5.1.17. Unfortunately, the level of education is regarded in actual practices, as having no importance for becoming a new distributor. In Table 5.1.20, it is indicated that nearly 50 per cent of the respondents would consider the factor of ambition as the best and most important criterion for being a potential distributor. The factor of confidence in this personal selling system is seen to be placed second.

Obstacles and limitations of this selling system

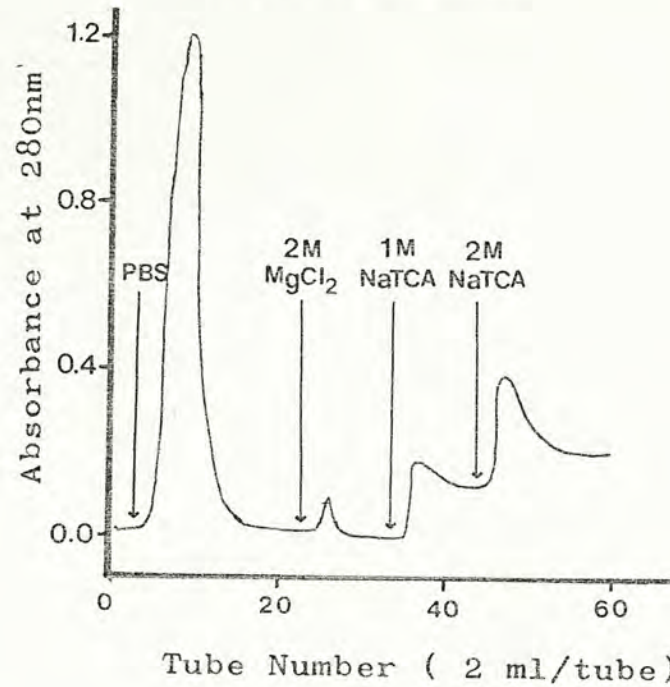
In the course of sponsoring, it is shown in Table 5.1.18 that the problems often met include the prospective distributor's lack of confidence in this personal selling system and the dislike of being a salesperson. The 30 to 40 years old sponsors encountered the obstacle that people usually hate to be a salesman while other sponsors of a different age regard the confidence of the potential distributor as the biggest obstacle to their sponsoring process.

Irrespective of the age, half of the sponsors said no to the limitation to the personal selling system. They thought that this selling system would go on developing and expanding without limitations while the other half said yes on the grounds that it is limited by population, financial, economic progress and consumption power factors.

5.2 Distributors' Monthly Income Level

Among the respondents, over 88 per cent have a personal monthly income level up to HK\$3,000 with only a little dominance on the income group of HK\$1,000 to \$2,000. No respondents' income falls within the

A) Molar Tissue



B) Molar Urine

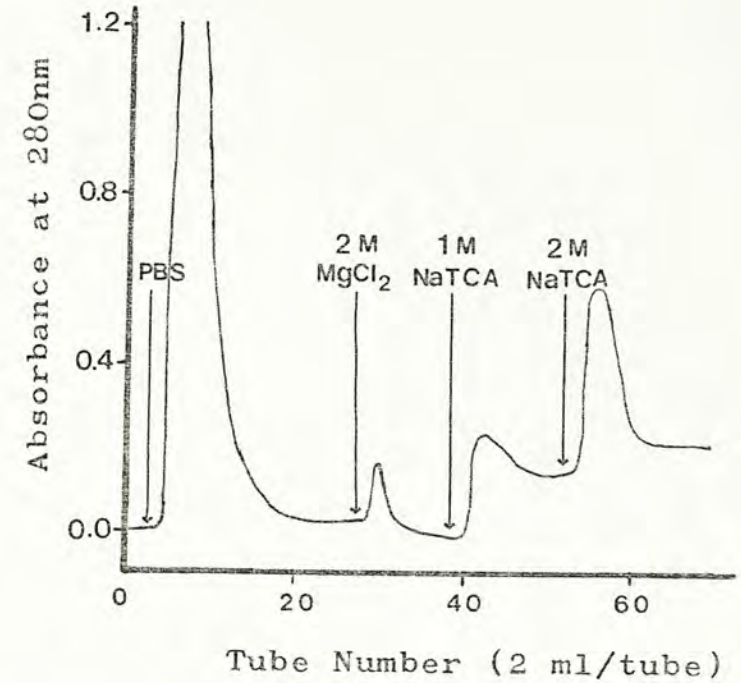


Fig. 2. Elution patterns of crude preparations of HCG extracted from A) molar tissue and B) molar urine passed through an anti-HCG IgG Sepharose column (0.8 x 12 cm). Step-wise elutions were performed as indicated with various solutions. Flow rate, 20 ml/hour.

TABLE 5.1.17 AGE GROUP VS THE EDUCATIONAL LEVEL OF POTENTIAL DISTRIBUTORS

| | | ***** EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS NON PRIMARSECONDPOST- PROFE-OTHERS DON+T BASESPONSO SECONDSSION KNOW ***** | | | | | | | |
|-------------------------|--------|--|-------|-------|-------|-------|-------|-------|-------|
| DISTRIBUTORS' AGE GROUP | | 59 | 31 | 1 | 8 | 6 | 8 | 3 | 2 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 52.5 | 1.7 | 13.6 | 10.2 | 13.6 | 5.1 | 3.4 |
| | | ***** | | | | | | | |
| UNDER 20 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | | 38 | 20 | 1 | 5 | 3 | 6 | 2 | 1 |
| | COL. % | 64.4 | 64.5 | 100.0 | 62.5 | 50.0 | 75.0 | 66.7 | 50.0 |
| | ROW % | 100.0 | 52.6 | 2.6 | 13.2 | 7.9 | 13.8 | 5.3 | 2.6 |
| 30 - UNDER 40 | | 13 | 5 | 0 | 2 | 2 | 2 | 1 | 1 |
| | COL. % | 22.0 | 16.1 | 0.0 | 25.0 | 33.3 | 25.0 | 33.3 | 50.0 |
| | ROW % | 100.0 | 38.5 | 0.0 | 15.4 | 15.4 | 13.4 | 7.7 | 7.7 |
| 40 - UNDER 50 | | 6 | 4 | 0 | 1 | 1 | 0 | 0 | 0 |
| | COL. % | 10.2 | 12.9 | 0.0 | 12.5 | 16.7 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 66.7 | 0.0 | 16.7 | 16.7 | 0.0 | 0.0 | 0.0 |
| OVER 50 | | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | |

Table 3B. Recovery and Specific Activity of HCG from Molar Urine during Purification.

| Fractionation Procedure | Fraction | Total Activity (IU) | Specific Activity (IU/mg) | % Recovery |
|------------------------------|---------------|---------------------|---------------------------|------------|
| | 24 Hour Urine | 100,000 | 92 | 100.0 |
| Salt Precipitation | MU-C | 73,000 | 115 | 73.0 |
| Affinity Chromatography | MU-2MTCA | 50,800 | 1,260 | 50.8 |
| DEAE-Sephadex Chromatography | MU-D-1 | 4,000 | 5,250 | 4.0 |
| | MU-D-2 | 23,720 | 4,090 | 23.7 |

TABLE 5.1.19 AGE GROUP VS LIMITATION OF THIS SYSTEM

| | | ***** LIMITATION OF THE SYSTEM NON NO YES DON'T BASESPON. KNOW ***** | | | | |
|-------------------------|--------|--|-------|-------|-------|-------|
| DISTRIBUTORS' AGE GROUP | | 59 | 31 | 13 | 13 | 2 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 52.5 | 22.0 | 22.0 | 3.4 |
| | | ***** | | | | |
| UNDER 20 | | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 20 - UNDER 30 | | 38 | 20 | 8 | 9 | 1 |
| | COL. % | 64.4 | 64.5 | 61.5 | 69.2 | 50.0 |
| | ROW % | 100.0 | 52.6 | 21.1 | 23.7 | 2.6 |
| 30 - UNDER 40 | | 13 | 5 | 4 | 4 | 0 |
| | COL. % | 22.0 | 16.1 | 30.8 | 30.8 | 0.0 |
| | ROW % | 100.0 | 38.5 | 30.8 | 30.8 | 0.0 |
| 40 - UNDER 50 | | 6 | 4 | 1 | 0 | 1 |
| | COL. % | 10.2 | 12.9 | 7.7 | 0.0 | 50.0 |
| | ROW % | 100.0 | 66.7 | 16.7 | 0.0 | 16.7 |
| OVER 50 | | 2 | 2 | 0 | 0 | 0 |
| | COL. % | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | |

TABLE 5.1.20 AGE GROUP VS CRITERIA TO BE A NEW DISTRIBUTOR

CRITERIA TO BE A NEW DISTRIBUTOR

NON AMBIT-CONF1-CHARACMATUR-GNITI-EDUCA-OTHERS NO

BASESPON. ION DENCE TER ITY ATIVE TION ANSWER

| DISTRIBUTORS' AGE GROUP | 59 | 31 | 13 | 9 | 3 | 0 | 3 | 0 | 0 | 0 |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 22.0 | 15.3 | 5.1 | 0.0 | 5.1 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | | |
|----------|--|-------|-----|-----|-----|-----|-----|-----|-----|-----|
| UNDER 20 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | | |
|---------------|--|-------|------|------|------|------|-----|-------|-----|-----|
| 20 - UNDER 30 | | 38 | 20 | 8 | 5 | 2 | 0 | 3 | 0 | 0 |
| COL. % | | 64.4 | 64.5 | 61.5 | 55.6 | 66.7 | 0.0 | 100.0 | 0.0 | 0.0 |
| ROW % | | 100.0 | 52.6 | 21.1 | 13.2 | 5.3 | 0.0 | 7.9 | 0.0 | 0.0 |

| | | | | | | | | | | |
|---------------|--|-------|------|------|------|------|-----|-----|-----|-----|
| 30 - UNDER 40 | | 13 | 5 | 4 | 3 | 1 | 0 | 0 | 0 | 0 |
| COL. % | | 22.0 | 16.1 | 30.8 | 33.3 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | | 100.0 | 38.5 | 30.8 | 23.1 | 7.7 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | | |
|---------------|--|-------|------|------|------|-----|-----|-----|-----|-----|
| 40 - UNDER 50 | | 6 | 4 | 1 | 1 | 0 | 0 | 0 | 0 | 0 |
| COL. % | | 10.2 | 12.9 | 7.7 | 11.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | | 100.0 | 66.7 | 15.7 | 16.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | | |
|---------|--|-------|-------|-----|-----|-----|-----|-----|-----|-----|
| OVER 50 | | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | | |
|-----------|--|-------|-----|-----|-----|-----|-----|-----|-----|-----|
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

range of HK\$4,000 to \$5,000. A very small percentage of respondents earned HK\$3,000 to \$4,000 and over HK\$5,000. For simplicity, it is denoted income group one, two, three, four, five and six to represent the respondent's monthly income level of below HK\$1,000, HK\$1,001 to \$2,000, HK\$2,001 to \$3,000, HK\$3,001 to \$4,000, HK\$4,001 to \$5,000 and over HK\$5,000 respectively. This is depicted in Table 5.2.1.

Motives and obstacles

Various advantages which formed the general motives for the respondent to join in this personal selling system were discovered uniformly by income groups one, three and six. The chance to earn an additional income is favored by all income groups with the exception of group four. They are impressed by the attractiveness of the 30 per cent discount. The result is depicted in Table 5.2.1.

In Table 5.2.2, it is shown that all income groups realised different benefits which may be advantageous to their personal selling, after they joined Hong Kong Amway.

All income groups thought that advertisements of the company would be helpful to their personal selling business. Selling is a great obstacle to the distributor if the company does not advertise. Majority of income group two considered the personal delivery as the major problem to the Amway selling system, as illustrated in Table 5.2.3.

The first two income groups have become discouraged in the course of selling by the above obstacle factors while majority of the higher income groups are not effected. Over 65 per cent of the respondents, regardless of their income level, have to travel a long way before they can serve their customers, as shown in Table 5.2.5.

MT-PBS MT-MgCl₂

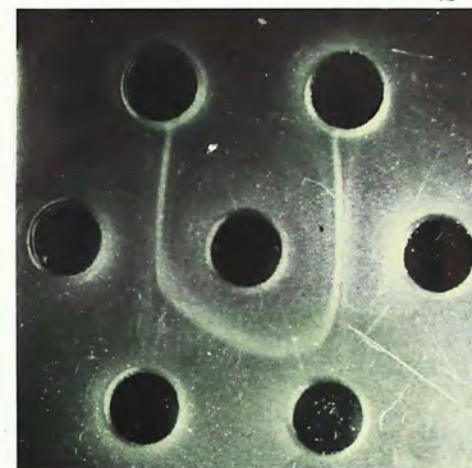
U-HCG



MT-2MTCA MT-1MTCA
(Fig. 8C)

MU-PBS MU-MgCl₂

U-HCG

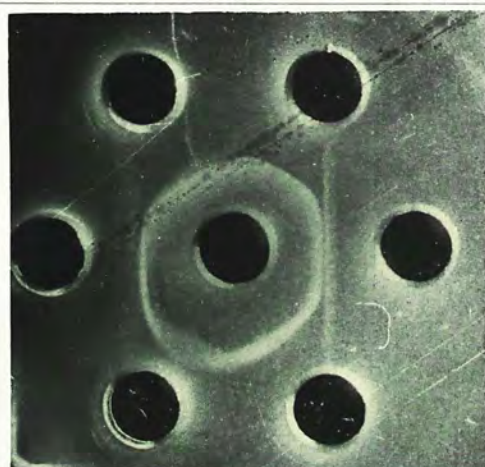


MU-2MTCA MU-1MTCA
(Fig. 8E)

U-HCG

MT-D-1 MT-D-2

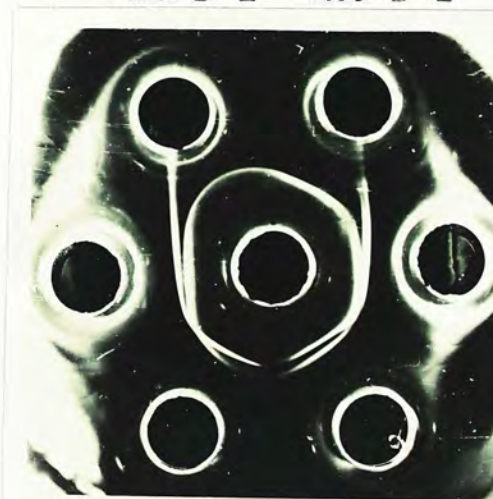
U-HCG



MT-D-4 MT-D-3
(Fig. 8D)

MU-D-1 MU-D-2

U-HCG



MU-D-4 MU-D-3
(Fig. 8F)

U-HCG

TABLE 5.2.2 INCOME VS ATTRACTION OF AMWAY SELLING SYSTEM AFTER JOINING-IN

| ***** | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|
| ATTRACTION OF ASS 'AFTER JOINING-IN= | | | | | | | | |
| ADDN+L 30% FREETO OWN 100% OTHER NO | | | | | | | | |
| BASEINCOMEDISCOTSELL BUSIN. QUARTEREAISONANSWER | | | | | | | | |
| ***** | | | | | | | | |
| PERSONAL MONTHLY INCOME | 59 | 13 | 12 | 11 | 8 | 6 | 3 | 6 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 20.3 | 18.6 | 13.6 | 10.2 | 5.1 | 10.2 |
| ***** | | | | | | | | |
| BELOW HK\$1,000 | 17 | 3 | 5 | 3 | 2 | 3 | 0 | 1 |
| COL. % | 28.8 | 23.1 | 41.7 | 27.3 | 25.0 | 50.0 | 0.0 | 16.7 |
| ROW % | 100.0 | 17.6 | 29.4 | 17.6 | 11.8 | 17.6 | 0.0 | 5.9 |
| HK\$1,001 - \$2,000 | 18 | 4 | 3 | 2 | 2 | 1 | 2 | 4 |
| COL. % | 30.5 | 30.8 | 25.0 | 18.2 | 25.0 | 16.7 | 66.7 | 66.7 |
| ROW % | 100.0 | 22.2 | 16.7 | 11.1 | 11.1 | 5.6 | 11.1 | 22.2 |
| HK\$2,001 - \$3,000 | 17 | 3 | 3 | 4 | 3 | 2 | 1 | 1 |
| COL. % | 28.8 | 23.1 | 25.0 | 36.4 | 37.5 | 33.3 | 33.3 | 16.7 |
| ROW % | 100.0 | 17.6 | 17.6 | 23.5 | 17.6 | 11.8 | 5.9 | 5.9 |
| HK\$3,001 - \$4,000 | 3 | 1 | 1 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 7.7 | 8.3 | 9.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 33.3 | 33.3 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 2 | 0 | 1 | 1 | 0 | 0 | 0 |
| COL. % | 6.8 | 15.4 | 0.0 | 9.1 | 12.5 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 50.0 | 0.0 | 25.0 | 25.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Table 12. Carbohydrate Composition of HCG from Various Source (gm/ 100gm).

| Carbohydrate | MU-HCG Our Preparation | MT-HCG | | Placental-HCG (1st trimester) Ashitaka <u>et al.</u> (1970) | U-HCG Bahl (1969) |
|----------------------------|------------------------------|--------------------|---|---|-------------------------|
| | | Our Preparation | Ashitaka <u>et al.</u> * (1972) LH-like | | |
| Fucose | ± | ± | +++ | +++ | 0.6 |
| Galactose | 6.7 | 5.5 | +++ | +++ | 5.3 |
| Mannose | 2.1 | 2.3 | | | 5.3 |
| Total Hexose | 8.8 | 7.8 | 40.0 | 23.0 | 11.2 |
| N-acetyl- galactosamine | ± | ± | +++ | +++ | 2.2 |
| N-acetyl- glucosamine | 5.4 | 4.8 | +++ | +++ | 8.9 |
| Total Hexosamine | 5.4 | 4.8 | 3.3 | 8.0 | 11.1 |
| Sialic Acid | 6.1 | 6.2 | 8.2 | 3.0 | 9.0 |
| Total Carbohydrate | 20.3 | 18.8 | 51.5 | 34.3 | 31.3 |

* Determined by colorimetric methods.

± Signifies present in small amount.

+++ Not determined.

TABLE 5.2.4 INCOME VS DEPRESSION TO SELL

| ***** DEPRESSION TO SELL | | | | |
|-----------------------------|--------|-------|-------|-------|
| | YES | NO | NO | |
| BASE | ANSWER | | | |
| ***** | ***** | | | |
| PERSONAL MONTHLY INCOME | 59 | 30 | 28 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 50.8 | 47.5 | 1.7 |
| ***** | ***** | | | |
| BELOW HK\$1,000 | 17 | 10 | 6 | 1 |
| COL. % | 28.8 | 33.3 | 21.4 | 100.0 |
| ROW % | 100.0 | 58.8 | 35.3 | 5.9 |
| HK\$1,001 - \$2,000 | 18 | 10 | 8 | 0 |
| COL. % | 30.5 | 33.3 | 28.6 | 0.0 |
| ROW % | 100.0 | 55.6 | 44.4 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 8 | 9 | 0 |
| COL. % | 28.8 | 26.7 | 32.1 | 0.0 |
| ROW % | 100.0 | 47.1 | 52.9 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 1 | 2 | 0 |
| COL. % | 5.1 | 3.3 | 7.1 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 1 | 3 | 0 |
| COL. % | 6.8 | 3.3 | 10.7 | 0.0 |
| ROW % | 100.0 | 25.0 | 75.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | ***** | | | |

TABLE 5.2.5 INCOME VS CUSTOMERSE RESIDENCE

| PERSONAL MONTHLY INCOME | ***** CUSTOMER RESIDENCE YES NO NO BASE ANSWER ***** | | | |
|-------------------------|--|-------|-------|-------|
| | 59 | 20 | 39 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 33.9 | 66.1 | 0.0 |
| ***** | | | | |
| BELOW HK\$1,000 | 17 | 6 | 11 | 0 |
| COL. % | 28.8 | 30.0 | 28.2 | 0.0 |
| ROW % | 100.0 | 35.3 | 64.7 | 0.0 |
| HK\$1,001 - \$2,000 | 18 | 6 | 12 | 0 |
| COL. % | 30.5 | 30.0 | 30.8 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 5 | 12 | 0 |
| COL. % | 28.8 | 25.0 | 30.8 | 0.0 |
| ROW % | 100.0 | 29.4 | 70.6 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 1 | 2 | 0 |
| COL. % | 5.1 | 5.0 | 5.1 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 2 | 2 | 0 |
| COL. % | 6.8 | 10.0 | 5.1 | 0.0 |
| ROW % | 100.0 | 50.0 | 50.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

In the course of selling

Respondents, irrespective of their income level, are seldom aware of the brand loyalty of their customers. The highest income group of over HK\$5,000 also regarded the price of the Amway product to be too high for the user. But majority of the lowest income group did not think so.

The best planning group is the income group three, of which over 50 per cent would do the selling job on a regular basis. The group which does the least planning is income group one, of which most sell their products on an irregular basis, as seen in Table 5.2.7 and Table 5.2.8.

Self-appraisal of performance

It is seen in Table 5.2.9 that the income group one, two and three serve a numerical range of customers from one customer to over eighteen. It is also worth noting in the subsequent table that the sales volume of the highest income group has topped at the higher sales range of HK\$400 to over \$500 last month. Other income groups achieved at a wider range from below HK\$100 to over \$500.

Roughly, it is estimated that the income group two would be the most effective, in terms of monthly sales volume per customer and the most productive, in terms of sales achieved per distributor.

Self-estimate of advance performance

As was analysed in Table 5.1.11 for the distributors' age group, the trend in Table 5.2.11, also indicates that most respondents do not prepare an advance sales plan, regardless of their income level.

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TABLE 5.2.6 INCOME VS PROBLEM ENCOUNTERED DURING SELLING PROCESS

| ***** PROBLEM ENCOUNTERED DURING SELLING PROCESS ***** | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| HIGH NO CON BRAND NOT TOO OTHERS NO | | | | | | | | |
| BASEPRICE ON NEWLOYALT AWARE CONC. ANSWER | | | | | | | | |
| ***** | | | | | | | | |
| PERSONAL MONTHLY INCOME | 59 | 33 | 12 | 5 | 3 | 3 | 2 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 55.9 | 20.3 | 8.5 | 5.1 | 5.1 | 3.4 | 1.7 |
| ***** | | | | | | | | |
| BELOW HK\$1,000 | 17 | 6 | 7 | 0 | 1 | 0 | 2 | 1 |
| COL. % | 28.8 | 18.2 | 58.3 | 0.0 | 33.3 | 0.0 | 100.0 | 100.0 |
| ROW % | 100.0 | 35.3 | 41.2 | 0.0 | 5.9 | 0.0 | 11.8 | 5.9 |
| HK\$1,001 - \$2,000 | 18 | 12 | 2 | 1 | 2 | 1 | 0 | 0 |
| COL. % | 30.5 | 36.4 | 16.7 | 20.0 | 66.7 | 33.3 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 11.1 | 5.6 | 11.1 | 5.6 | 0.0 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 10 | 3 | 2 | 0 | 2 | 0 | 0 |
| COL. % | 28.8 | 30.3 | 25.0 | 40.0 | 0.0 | 66.7 | 0.0 | 0.0 |
| ROW % | 100.0 | 58.8 | 17.6 | 11.8 | 0.0 | 11.8 | 0.0 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 2 | 0 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 6.1 | 0.0 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 3 | 0 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 6.8 | 9.1 | 0.0 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 75.0 | 0.0 | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

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TABLE 5.2.7 INCOME VS TIME LAG TO REMIND CUSTOMERS TO STOCK

| ***** | | | | | | | | | |
|---------------------------------------|-----------|--------|-------|-------|-------|--------|--------|-------|--|
| TIME LAG TO REMIND CUSTOMERS TO STOCK | | | | | | | | | |
| | ONE | TWO | THREE | FOUR | FIVE | OVER | NO | | |
| | BASEMONTH | MONTHS | MON. | MON. | MON. | 5 MON. | ANSWER | | |
| ***** | | | | | | | | | |
| PERSONAL MONTHLY INCOME | 59 | 17 | 9 | 4 | 1 | 0 | 2 | 26 | |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |
| | 100.0 | 28.8 | 15.3 | 6.8 | 1.7 | 0.0 | 3.4 | 44.1 | |
| ***** | | | | | | | | | |
| BELOW HK\$1,000 | 17 | 4 | 2 | 0 | 0 | 0 | 0 | 11 | |
| COL. % | 28.8 | 23.5 | 22.2 | 0.0 | 0.0 | 0.0 | 0.0 | 42.3 | |
| ROW % | 100.0 | 23.5 | 11.8 | 0.0 | 0.0 | 0.0 | 0.0 | 64.7 | |
| HK\$1,001 - \$2,000 | 18 | 6 | 2 | 1 | 1 | 0 | 0 | 8 | |
| COL. % | 30.5 | 35.3 | 22.2 | 25.0 | 100.0 | 0.0 | 0.0 | 30.8 | |
| ROW % | 100.0 | 33.3 | 11.1 | 5.6 | 5.6 | 0.0 | 0.0 | 44.4 | |
| HK\$2,001 - \$3,000 | 17 | 5 | 4 | 2 | 0 | 0 | 1 | 5 | |
| COL. % | 28.8 | 29.4 | 44.4 | 50.0 | 0.0 | 0.0 | 50.0 | 19.2 | |
| ROW % | 100.0 | 29.4 | 23.5 | 11.8 | 0.0 | 0.0 | 5.9 | 29.4 | |
| HK\$3,001 - \$4,000 | 3 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | |
| COL. % | 5.1 | 0.0 | 11.1 | 25.0 | 0.0 | 0.0 | 50.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 33.3 | 33.3 | 0.0 | 0.0 | 33.3 | 0.0 | |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| OVER HK\$5,000 | 4 | 2 | 0 | 0 | 0 | 0 | 0 | 2 | |
| COL. % | 6.8 | 11.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.7 | |
| ROW % | 100.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 | |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ***** | | | | | | | | | |

TABLE 5.2.8 INCOME VS TIME LAG TO INTRODUCE ANOTHER PRODUCT

| ***** | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|-------|--------|--------|
| TIME LAG TO INTRODUCE ANOTHER PRODUCT | | | | | | | | |
| | ONE | TWO | THREE | FOUR | FIVE | OVER | NO | |
| | BASE | MONS. | MONS. | MON. | MON. | MON. | 5 MON. | ANSWER |
| ***** | | | | | | | | |
| PERSONAL MONTHLY INCOME | 59 | 13 | 9 | 3 | 1 | 0 | 2 | 31 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 15.3 | 5.1 | 1.7 | 0.0 | 3.4 | 52.5 |
| ***** | | | | | | | | |
| BELOW HK\$1,000 | 17 | 5 | 2 | 0 | 0 | 0 | 0 | 10 |
| COL. % | 28.8 | 38.5 | 22.2 | 0.0 | 0.0 | 0.0 | 0.0 | 32.3 |
| ROW % | 100.0 | 29.4 | 11.8 | 0.0 | 0.0 | 0.0 | 0.0 | 58.8 |
| HK\$1,001 - \$2,000 | 18 | 4 | 2 | 0 | 1 | 0 | 0 | 11 |
| COL. % | 30.5 | 30.8 | 22.2 | 0.0 | 100.0 | 0.0 | 0.0 | 35.5 |
| ROW % | 100.0 | 22.2 | 11.1 | 0.0 | 5.6 | 0.0 | 0.0 | 61.1 |
| HK\$2,001 - \$3,000 | 17 | 3 | 3 | 2 | 0 | 0 | 1 | 8 |
| COL. % | 28.8 | 23.1 | 33.3 | 66.7 | 0.0 | 0.0 | 50.0 | 25.8 |
| ROW % | 100.0 | 17.6 | 17.6 | 11.8 | 0.0 | 0.0 | 5.9 | 47.1 |
| HK\$3,001 - \$4,000 | 3 | 0 | 1 | 1 | 0 | 0 | 1 | 0 |
| COL. % | 5.1 | 0.0 | 11.1 | 33.3 | 0.0 | 0.0 | 50.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 33.3 | 33.3 | 0.0 | 0.0 | 33.3 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| COL. % | 6.8 | 7.7 | 11.1 | 0.0 | 0.0 | 0.0 | 0.0 | 6.5 |
| ROW % | 100.0 | 25.0 | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

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TABLE 5.2.9 INCOME VS NUMBER OF PRESENT CUSTOMERS SERVED BY THE RESPONDENT

| PERSONAL MONTHLY INCOME | ***** NUMBER OF PRESENT CUSTOMERS ***** | | | | | | | | | |
|-------------------------|---|-------|-------|-------|-------|-------|-------|---------|-----------|-------|
| | 1 | 3 | 5 | 7 | 9 | 13 | 18 | OVER 18 | NO ANSWER | |
| | BASECUSTOM | | | | | | | | | |
| | 59 | 6 | 6 | 11 | 4 | 4 | 7 | 4 | 11 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 10.9 | 10.9 | 20.0 | 7.3 | 7.3 | 12.7 | 7.3 | 20.0 | 3.6 |
| | ***** | | | | | | | | | |
| BELOW HK\$1,000 | 17 | 2 | 1 | 4 | 1 | 1 | 1 | 1 | 4 | 1 |
| COL. % | 28.8 | 33.3 | 16.7 | 36.4 | 25.0 | 25.0 | 14.3 | 25.0 | 36.4 | 50.0 |
| ROW % | 100.0 | 12.5 | 6.2 | 25.0 | 6.2 | 6.2 | 6.2 | 6.2 | 25.0 | 6.2 |
| HK\$1,001 - \$2,000 | 18 | 2 | 3 | 2 | 1 | 1 | 3 | 0 | 3 | 1 |
| COL. % | 30.5 | 33.3 | 50.0 | 18.2 | 25.0 | 25.0 | 42.9 | 0.0 | 27.3 | 50.0 |
| ROW % | 100.0 | 12.5 | 18.7 | 12.5 | 6.2 | 6.2 | 18.7 | 0.0 | 18.7 | 6.2 |
| HK\$2,001 - \$3,000 | 17 | 1 | 2 | 4 | 1 | 0 | 2 | 3 | 3 | 0 |
| COL. % | 28.8 | 16.7 | 33.3 | 36.4 | 25.0 | 0.0 | 28.6 | 75.0 | 27.3 | 0.0 |
| ROW % | 100.0 | 6.2 | 12.5 | 25.0 | 6.2 | 0.0 | 12.5 | 18.7 | 18.7 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 0 |
| COL. % | 5.1 | 16.7 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 | 0.0 | 9.1 | 0.0 |
| ROW % | 100.0 | 33.3 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 0 | 0 | 1 | 0 | 2 | 1 | 0 | 0 | 0 |
| COL. % | 6.8 | 0.0 | 0.0 | 9.1 | 0.0 | 50.0 | 14.3 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 25.0 | 0.0 | 50.0 | 25.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ***** | | | | | | | | | |

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TABLE 5.2.10 INCOME VS SALES VOLUME OF LAST MONTH

| ***** | | | | | | | | | |
|----------------------------|-------|-------|-------|-------|-------|-------|--------|-------|--|
| SALES VOLUME OF LAST MONTH | | | | | | | | | |
| | 100 | 200 | 300 | 400 | 500 | OVER | NO | | |
| | BASE | | | | | 500 | ANSWER | | |
| | HK \$ | | | | | | | | |
| ***** | | | | | | | | | |
| PERSONAL MONTHLY INCOME | 59 | 16 | 6 | 3 | 4 | 5 | 6 | 19 | |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |
| | 100.0 | 27.1 | 10.2 | 5.1 | 6.8 | 8.5 | 10.2 | 32.2 | |
| ***** | | | | | | | | | |
| BELOW HK\$1,000 | 17 | 3 | 2 | 2 | 1 | 2 | 0 | 7 | |
| COL. % | 28.8 | 18.7 | 33.3 | 66.7 | 25.0 | 40.0 | 0.0 | 36.8 | |
| ROW % | 100.0 | 17.6 | 11.8 | 11.8 | 5.9 | 11.8 | 0.0 | 41.2 | |
| HK\$1,001 - \$2,000 | 18 | 6 | 2 | 0 | 1 | 0 | 2 | 7 | |
| COL. % | 30.5 | 37.5 | 33.3 | 0.0 | 25.0 | 0.0 | 33.3 | 36.8 | |
| ROW % | 100.0 | 33.3 | 11.1 | 0.0 | 5.6 | 0.0 | 11.1 | 38.9 | |
| HK\$2,001 - \$3,000 | 17 | 5 | 2 | 1 | 1 | 2 | 2 | 4 | |
| COL. % | 28.8 | 31.3 | 33.3 | 33.3 | 25.0 | 40.0 | 33.3 | 21.1 | |
| ROW % | 100.0 | 29.4 | 11.8 | 5.9 | 5.9 | 11.8 | 11.8 | 23.5 | |
| HK\$3,001 - \$4,000 | 3 | 2 | 0 | 0 | 0 | 0 | 1 | 0 | |
| COL. % | 5.1 | 12.5 | 0.0 | 0.0 | 0.0 | 0.0 | 16.7 | 0.0 | |
| ROW % | 100.0 | 66.7 | 0.0 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| OVER HK\$5,000 | 4 | 0 | 0 | 0 | 1 | 1 | 1 | 1 | |
| COL. % | 6.8 | 0.0 | 0.0 | 0.0 | 25.0 | 20.0 | 16.7 | 5.3 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 25.0 | 25.0 | 25.0 | 25.0 | |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ***** | | | | | | | | | |

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TABLE 5.2.11 INCOME VS ADVANCE SALES PLAN

| ***** | | | | |
|-------------------------|-------|--------|-------|-------|
| ADVANCE SALES PLAN | | | | |
| | YES | NO | NO | |
| | BASE | ANSWER | | |
| ***** | | | | |
| PERSONAL MONTHLY INCOME | 59 | 16 | 41 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 69.5 | 3.4 |
| ***** | | | | |
| BELOW HK\$1,000 | 17 | 5 | 11 | 1 |
| COL. % | 28.8 | 31.3 | 26.8 | 50.0 |
| ROW % | 100.0 | 29.4 | 64.7 | 5.9 |
| HK\$1,001 - \$2,000 | 18 | 5 | 13 | 0 |
| COL. % | 30.5 | 31.3 | 31.7 | 0.0 |
| ROW % | 100.0 | 27.8 | 72.2 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 4 | 12 | 1 |
| COL. % | 28.8 | 25.0 | 29.3 | 50.0 |
| ROW % | 100.0 | 23.5 | 70.6 | 5.9 |
| HK\$3,001 - \$4,000 | 3 | 1 | 2 | 0 |
| COL. % | 5.1 | 6.2 | 4.9 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 1 | 3 | 0 |
| COL. % | 6.8 | 6.2 | 7.3 | 0.0 |
| ROW % | 100.0 | 25.0 | 75.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

Most respondents show very aggressive behavior in soliciting new customers with the exception of income group four, which is very conservative in forecasting their new customers, as shown in Table 5.2.12. Income group two is separated into two sub-groups, of which each is characteristic of either extremely conservative or highly optimistic.

Income group six forecasts their sales volume from HK\$400 to over \$500 monthly. Accordingly, the highest income group as well as half of group two is the most aggressive in forecasting the number of new customers and the anticipated sales volume. As the sample size of income group four and six is small, the discussion related to these two groups is not very reliable.

The sponsor

Comparatively, most of the sponsors belong to income groups three, four and six. All of the respondents in income group four are sponsors while only 64.7 per cent of group three and 50 per cent of group six carry the title of a sponsor, as depicted in Table 5.2.14.

The advance sponsoring plan

Regarding the advance sponsoring plan, only group three has achieved a good performance on the grounds that over 55 per cent of the sponsors in group three do prepare an advance sponsoring plan. The majority of other income groups say no to the preparation of a sponsoring plan. The apparent result is illustrated in Table 5.2.15.

LINGNAN INSTITUTE OF BUSINESS ADMINISTRATION

MASTER THESIS - DIRECT SELLING SURVEY BY MO YU-CHOI

TABLE 5.2.12 INCOME VS FORECAST OF NUMBER OF NEW CUSTOMERS

| ***** FORECAST OF NUMBER OF NEW CUSTOMERS ***** | | | | | | | | | | | |
|---|------------|--------|---------|---------|---------|---------|----------|----------|---------|-----------|-------|
| | 0 | 1 | BELOW 3 | BELOW 5 | BELOW 7 | BELOW 9 | BELOW 13 | BELOW 18 | OVER 18 | NO ANSWER | |
| PERSONAL MONTHLY INCOME | BASECUSTOM | CUSTOM | 3 | 5 | 7 | 9 | 13 | 18 | 18 | ANSWER | |
| ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** |
| | 59 | 7 | 10 | 4 | 0 | 0 | 6 | 0 | 1 | 28 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 12.5 | 17.9 | 7.1 | 0.0 | 0.0 | 10.7 | 0.0 | 1.8 | 50.0 | 0.0 |
| ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** |
| BELOW HK\$1,000 | 17 | 0 | 2 | 1 | 0 | 0 | 4 | 0 | 0 | 10 | 0 |
| COL. % | 28.8 | 0.0 | 20.0 | 25.0 | 0.0 | 0.0 | 66.7 | 0.0 | 0.0 | 35.7 | 0.0 |
| ROW % | 100.0 | 0.0 | 11.8 | 5.9 | 0.0 | 0.0 | 23.5 | 0.0 | 0.0 | 58.8 | 0.0 |
| HK\$1,001 - \$2,000 | 18 | 5 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 10 | 0 |
| COL. % | 30.5 | 71.4 | 10.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 35.7 | 0.0 |
| ROW % | 100.0 | 31.3 | 6.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 62.5 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 1 | 5 | 2 | 0 | 0 | 2 | 0 | 1 | 5 | 0 |
| COL. % | 28.8 | 14.3 | 50.0 | 50.0 | 0.0 | 0.0 | 33.3 | 0.0 | 100.0 | 17.9 | 0.0 |
| ROW % | 100.0 | 6.2 | 31.3 | 12.5 | 0.0 | 0.0 | 12.5 | 0.0 | 6.2 | 31.3 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 14.3 | 10.0 | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 33.3 | 33.3 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 |
| COL. % | 6.8 | 0.0 | 10.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 10.7 | 0.0 |
| ROW % | 100.0 | 0.0 | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 75.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** | ***** |

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MASTER THESIS - DIRECT SELLING SURVEY BY HO YU-CHOI

TABLE 5.2.13 INCOME VS FORECAST OF NEXT MONTH'S SALES VOLUME HK \$

| ***** FORECAST OF NEXT MONTH'S SALES VOLUME HK \$= 0 100 200 300 400 500 OVER NO BASE 500 ANSWER ***** | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| PERSONAL MONTHLY INCOME | 59 | 12 | 6 | 4 | 1 | 5 | 3 | 27 | 0 | |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 20.7 | 10.3 | 6.9 | 1.7 | 8.6 | 5.2 | 46.6 | 0.0 | |
| ***** | | | | | | | | | | |
| BELOW HK\$1,000 | 17 | 2 | 0 | 3 | 1 | 2 | 0 | 9 | 0 | |
| COL. % | 28.8 | 16.7 | 0.0 | 75.0 | 100.0 | 40.0 | 0.0 | 33.3 | 0.0 | |
| ROW % | 100.0 | 11.8 | 0.0 | 17.6 | 5.9 | 11.8 | 0.0 | 52.9 | 0.0 | |
| HK\$1,001 - \$2,000 | 18 | 5 | 3 | 0 | 0 | 0 | 1 | 8 | 0 | |
| COL. % | 30.5 | 41.7 | 50.0 | 0.0 | 0.0 | 0.0 | 33.3 | 29.6 | 0.0 | |
| ROW % | 100.0 | 29.4 | 17.6 | 0.0 | 0.0 | 0.0 | 5.9 | 47.1 | 0.0 | |
| HK\$2,001 - \$3,000 | 17 | 3 | 3 | 1 | 0 | 0 | 1 | 9 | 0 | |
| COL. % | 28.8 | 25.0 | 50.0 | 25.0 | 0.0 | 0.0 | 33.3 | 33.3 | 0.0 | |
| ROW % | 100.0 | 17.6 | 17.6 | 5.9 | 0.0 | 0.0 | 5.9 | 52.9 | 0.0 | |
| HK\$3,001 - \$4,000 | 3 | 2 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | |
| COL. % | 5.1 | 16.7 | 0.0 | 0.0 | 0.0 | 20.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 66.7 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| OVER HK\$5,000 | 4 | 0 | 0 | 0 | 0 | 2 | 1 | 1 | 0 | |
| COL. % | 6.8 | 0.0 | 0.0 | 0.0 | 0.0 | 40.0 | 33.3 | 3.7 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 | 25.0 | 25.0 | 0.0 | |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ***** | | | | | | | | | | |

TABLE 5.2.14 INCOME VS WHETHER OR NOT A SPONSOR

IF A SPONSOR -

YES NO NO

BASE

ANSWER

| | | | | |
|-------------------------|-------|-------|-------|-------|
| PERSONAL MONTHLY INCOME | 59 | 27 | 32 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 45.8 | 54.2 | 0.0 |

| | | | | |
|-----------------|-------|------|------|-----|
| BELOW HK\$1,000 | 17 | 5 | 12 | 0 |
| COL. % | 28.8 | 18.5 | 37.5 | 0.0 |
| ROW % | 100.0 | 29.4 | 70.6 | 0.0 |

| | | | | |
|---------------------|-------|------|------|-----|
| HK\$1,001 - \$2,000 | 18 | 6 | 12 | 0 |
| COL. % | 30.5 | 22.2 | 37.5 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |

| | | | | |
|---------------------|-------|------|------|-----|
| HK\$2,001 - \$3,000 | 17 | 11 | 6 | 0 |
| COL. % | 28.8 | 40.7 | 18.7 | 0.0 |
| ROW % | 100.0 | 64.7 | 35.3 | 0.0 |

| | | | | |
|---------------------|-------|-------|-----|-----|
| HK\$3,001 - \$4,000 | 3 | 3 | 0 | 0 |
| COL. % | 5.1 | 11.1 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 |

| | | | | |
|---------------------|-------|-----|-----|-----|
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |

| | | | | |
|----------------|-------|------|------|-----|
| OVER HK\$5,000 | 4 | 2 | 2 | 0 |
| COL. % | 6.8 | 7.4 | 6.2 | 0.0 |
| ROW % | 100.0 | 50.0 | 50.0 | 0.0 |

| | | | | |
|-----------|-------|-----|-----|-----|
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.2.15 INCOME VS SPONSORSE SPONSORING PLAN

| ***** | | | | | |
|--------------------------|------------|-------|-------|-------|--------|
| SPONSORSESPONSORING PLAN | | | | | |
| | NON | YES | NO | NO | |
| | BASESPONSO | | | | ANSWER |
| ***** | | | | | |
| PERSONAL MONTHLY INCOME | 59 | 31 | 10 | 17 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 16.9 | 28.8 | 1.7 |
| ***** | | | | | |
| BELOW HK\$1,000 | 17 | 11 | 2 | 3 | 1 |
| COL. % | 28.8 | 35.5 | 20.0 | 17.6 | 100.0 |
| ROW % | 100.0 | 64.7 | 11.8 | 17.6 | 5.9 |
| HK\$1,001 - \$2,000 | 18 | 12 | 1 | 5 | 0 |
| COL. % | 30.5 | 38.7 | 10.0 | 29.4 | 0.0 |
| ROW % | 100.0 | 66.7 | 5.6 | 27.8 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 6 | 6 | 5 | 0 |
| COL. % | 28.8 | 19.4 | 60.0 | 29.4 | 0.0 |
| ROW % | 100.0 | 35.3 | 35.3 | 29.4 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 0 | 1 | 2 | 0 |
| COL. % | 5.1 | 0.0 | 10.0 | 11.8 | 0.0 |
| ROW % | 100.0 | 0.0 | 33.3 | 66.7 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 2 | 0 | 2 | 0 |
| COL. % | 6.8 | 6.5 | 0.0 | 11.8 | 0.0 |
| ROW % | 100.0 | 50.0 | 0.0 | 50.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | |

In Table 5.2.16, it is seen that 100 per cent of the sponsors in group four plan to sponsor a new distributor in the following month while the majority of the sponsors in group three are inclined to sponsor different numbers of new distributors. The sponsors in these two groups appear to be the most active in playing the role of a sponsor.

The implicit requirements of the prospective distributor

It is peculiar to visualize in Table 5.2.17 that all sponsors in group four like to sponsor those of post-secondary education. Other groups put different emphasis on the educational level of the prospective distributors.

With the exception of income group two, other groups put the same weight on considering the potential distributor's self-ambition and self-confidence. Most of the sponsors in group two regard the ambition factor more important than the self-confidence for the distributor whom the sponsor is going to sponsor. Initiative is considered as an important criterion by about 30 per cent of the sponsors in group three, as referred to Table 5.2.20.

Obstacles and limitations of this selling system

It is illustrated in Table 5.2.18 that in the course of sponsoring, the reluctance of being a sales person in direct selling is regarded as a major obstacle by most of the sponsors in income group one, two and six. The majority of the sponsors in the rest of the groups would consider the lack of confidence as the greatest problem in the course of sponsoring.

TABLE 5.2.16 INCOME VS NUMBER OF NEW DISTRIBUTORS TO BE SPONSORED

| ***** NUMBER OF NEW DISTRIBUTORS TO BE SPONSORED BY THE SPON NON ONE 3 5 7 9 OVER DON+T ZERO BASESPONSODISTRI 9 KNOW ***** | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| PERSONAL MONTHLY INCOME | 59 | 31 | 8 | 4 | 2 | 0 | 0 | 1 | 11 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 13.6 | 6.8 | 3.4 | 0.0 | 0.0 | 1.7 | 18.6 | 3.4 |
| ***** | | | | | | | | | | |
| BELOW HK\$1,000 | 17 | 11 | 1 | 1 | 0 | 0 | 0 | 0 | 4 | 0 |
| COL. % | 28.8 | 35.5 | 12.5 | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 36.4 | 0.0 |
| ROW % | 100.0 | 64.7 | 5.9 | 5.9 | 0.0 | 0.0 | 0.0 | 0.0 | 23.5 | 0.0 |
| HK\$1,001 - \$2,000 | 18 | 12 | 1 | 0 | 1 | 0 | 0 | 0 | 3 | 1 |
| COL. % | 30.5 | 38.7 | 12.5 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 27.3 | 50.0 |
| ROW % | 100.0 | 66.7 | 5.6 | 0.0 | 5.6 | 0.0 | 0.0 | 0.0 | 16.7 | 5.6 |
| HK\$2,001 - \$3,000 | 17 | 6 | 3 | 3 | 1 | 0 | 0 | 1 | 3 | 0 |
| COL. % | 28.8 | 19.4 | 37.5 | 75.0 | 50.0 | 0.0 | 0.0 | 100.0 | 27.3 | 0.0 |
| ROW % | 100.0 | 35.3 | 17.6 | 17.6 | 5.9 | 0.0 | 0.0 | 5.9 | 17.6 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 0.0 | 37.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| COL. % | 6.8 | 6.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 9.1 | 50.0 |
| ROW % | 100.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 25.0 | 25.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |

TABLE 5.2.17 INCOME VS EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS

| PERSONAL MONTHLY INCOME | ***** EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS NON PRIMAERSECONDPOST- PROFE-OTHERS DON+T BASESPONSO SECONDOSSION KNOW ***** | | | | | | | |
|-------------------------|--|-------|-------|-------|-------|-------|-------|-------|
| | 59 | 31 | 1 | 8 | 6 | 8 | 3 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 1.7 | 13.6 | 10.2 | 13.6 | 5.1 | 3.4 |
| ***** | | | | | | | | |
| BELOW HK\$1,000 | 17 | 11 | 0 | 2 | 1 | 3 | 0 | 0 |
| COL. % | 28.8 | 35.5 | 0.0 | 25.0 | 16.7 | 37.5 | 0.0 | 0.0 |
| ROW % | 100.0 | 64.7 | 0.0 | 11.8 | 5.9 | 17.6 | 0.0 | 0.0 |
| HK\$1,001 - \$2,000 | 18 | 12 | 1 | 1 | 1 | 2 | 1 | 0 |
| COL. % | 30.5 | 38.7 | 100.0 | 12.5 | 16.7 | 25.0 | 33.3 | 0.0 |
| ROW % | 100.0 | 66.7 | 5.6 | 5.6 | 5.6 | 11.1 | 5.6 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 6 | 0 | 5 | 1 | 3 | 1 | 1 |
| COL. % | 28.8 | 19.4 | 0.0 | 62.5 | 16.7 | 37.5 | 33.3 | 50.0 |
| ROW % | 100.0 | 35.3 | 0.0 | 29.4 | 5.9 | 17.6 | 5.9 | 5.9 |
| HK\$3,001 - \$4,000 | 3 | 0 | 0 | 0 | 3 | 0 | 0 | 0 |
| COL. % | 5.1 | 0.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 2 | 0 | 0 | 0 | 0 | 1 | 1 |
| COL. % | 6.8 | 6.5 | 0.0 | 0.0 | 0.0 | 0.0 | 33.3 | 50.0 |
| ROW % | 100.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 25.0 | 25.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABEL 5.2.18 INCOME VS OBSTACLES IN THE COURSE OF SPONSORING

| ***** OBSTACLES IN THE COURSE OF SPONSORING NON NO DL.TG COMPL. NO OTHERS DON'T BASESPON. CONFI. SALEMNEXPLANPROBLEM KNOW ***** | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|
| PERSONAL MONTHLY INCOME | 59 | 31 | 12 | 13 | 3 | 0 | 0 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 20.3 | 22.0 | 5.1 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |
| BELOW HK\$1,000 | 17 | 11 | 1 | 4 | 1 | 0 | 0 | 0 |
| COL. % | 28.8 | 35.5 | 8.3 | 30.8 | 33.3 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 64.7 | 5.9 | 23.5 | 5.9 | 0.0 | 0.0 | 0.0 |
| HK\$1,001 - \$2,000 | 18 | 12 | 2 | 3 | 1 | 0 | 0 | 0 |
| COL. % | 30.5 | 38.7 | 16.7 | 23.1 | 33.3 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 11.1 | 16.7 | 5.6 | 0.0 | 0.0 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 6 | 7 | 3 | 1 | 0 | 0 | 0 |
| COL. % | 28.8 | 19.4 | 58.3 | 23.1 | 33.3 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 35.3 | 41.2 | 17.6 | 5.9 | 0.0 | 0.0 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 0 | 2 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 0.0 | 16.7 | 7.7 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 66.7 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 2 | 0 | 2 | 0 | 0 | 0 | 0 |
| COL. % | 6.8 | 6.5 | 0.0 | 15.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 50.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.2.19 INCOME VS LIMITATION OF THE SYSTEM

| ***** LIMITATION OF THE SYSTEM NON NO YES DON+T BASESPON. ROW KNOW KNOW ***** | | | | | |
|---|-------|-------|-------|-------|-------|
| PERSONAL MONTHLY INCOME | 59 | 31 | 13 | 13 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 22.0 | 22.0 | 3.4 |
| ***** | | | | | |
| BELOW HK\$1,000 | 17 | 11 | 3 | 2 | 1 |
| COL. % | 28.8 | 35.5 | 23.1 | 15.4 | 50.0 |
| ROW % | 100.0 | 64.7 | 17.6 | 11.8 | 5.9 |
| HK\$1,001 - \$2,000 | 18 | 12 | 2 | 4 | 0 |
| COL. % | 30.5 | 38.7 | 15.4 | 30.8 | 0.0 |
| ROW % | 100.0 | 66.7 | 11.1 | 22.2 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 6 | 6 | 5 | 0 |
| COL. % | 28.8 | 19.4 | 46.2 | 38.5 | 0.0 |
| ROW % | 100.0 | 35.3 | 35.3 | 29.4 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 0 | 1 | 1 | 1 |
| COL. % | 5.1 | 0.0 | 7.7 | 7.7 | 50.0 |
| ROW % | 100.0 | 0.0 | 33.3 | 33.3 | 33.3 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 6 | 2 | 1 | 1 | 0 |
| COL. % | 6.8 | 6.5 | 7.7 | 7.7 | 0.0 |
| ROW % | 100.0 | 50.0 | 25.0 | 25.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | |

TABLE 5.2.20 INCOME VS CRITERIA TO BE A NEW DISTRIBUTOR

| ***** | | | | | | | | | | |
|----------------------------------|--------------|------------|-----------|-----------|-----------|--------|-----------|-------|-------|-------|
| CRITERIA TO BE A NEW DISTRIBUTOR | | | | | | | | | | |
| | NON-AMBITION | CONFIDENCE | CHARACTER | KNOWLEDGE | EDUCATION | OTHERS | NO ANSWER | | | |
| PERSONAL MONTHLY INCOME | BASE | SPON. | ION | DENSE | TER | ITY | ATIVE | TION | | |
| | 59 | 31 | 13 | 9 | 3 | 0 | 3 | 0 | 0 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 22.0 | 15.3 | 5.1 | 0.0 | 5.1 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |
| BELOW HK\$1,000 | 17 | 11 | 3 | 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 28.8 | 35.5 | 23.1 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 64.7 | 17.6 | 17.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HK\$1,001 - \$2,000 | 18 | 12 | 4 | 1 | 1 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 30.5 | 38.7 | 30.8 | 11.1 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 22.2 | 5.6 | 5.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HK\$2,001 - \$3,000 | 17 | 6 | 4 | 3 | 1 | 0 | 3 | 0 | 0 | 0 |
| COL. % | 28.8 | 19.4 | 30.8 | 33.3 | 33.3 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 35.3 | 23.5 | 17.6 | 5.9 | 0.0 | 17.6 | 0.0 | 0.0 | 0.0 |
| HK\$3,001 - \$4,000 | 3 | 0 | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 0.0 | 7.7 | 22.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 33.3 | 66.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HK\$4,001 - \$5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OVER HK\$5,000 | 4 | 2 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 6.8 | 6.5 | 7.7 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 50.0 | 25.0 | 0.0 | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |

Income group two would say yes to the question number twenty three while most of group one and three would say no. The remainder of the income groups would share the 'Yes' and 'no' at an equal rate.

5.3 Distributors' Educational Level

Over 80 per cent of the respondents have completed secondary school. Of this group, 40 per cent graduated from post-secondary or above. Only one distributor never had schooling. One other finished primary education. This indicates that all respondents have a fairly high level of education. For a simple expression, the group with no formal schooling, primary schooling and some secondary schooling will be denoted as the lower education group. The group with post-secondary or university education is termed the highest education group. The group of secondary school completed will bear the same term in all subsequent chapters.

Motives and obstacles

It is shown in Table 5.3.1 that the chance to earn an additional income becomes the key factor in attracting most of the low education group to join this selling system, while other factors are equally shared by the higher education group, before they joined in.

Table 5.3.2 shows that after joining this selling system, the lower education group appreciates the advantage of the 100 per cent money back guarantee. The group with secondary education completed favors the 30 per cent discount available in this selling system. However, the majority of the group with post-secondary education or above regards the "Free-to-sell" as the most attractive factor.

TABLE 5.3.1 EDUCATION VS ATTRACTIVENESS OF AMWAY SELLING SYSTEM BEFORE-IN

| ***** | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| ATTRACTIVENESS OF AMWAY SELL SYS. 'BEF. IN' | | | | | | | | |
| ADDNL 30% FREE TO OWN 100% OTHER NO | | | | | | | | |
| BASE INCOME DISCOT SELL BUSIN. QUARTER REASON ANSWER | | | | | | | | |
| ***** | | | | | | | | |
| EDUCATION LEVEL | 59 | 27 | 10 | 10 | 4 | 3 | 4 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 45.8 | 16.9 | 16.9 | 6.8 | 5.1 | 6.8 | 1.7 |
| ***** | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 11 | 6 | 5 | 1 | 0 | 2 | 1 |
| COL. % | 44.1 | 40.7 | 60.0 | 50.0 | 25.0 | 0.0 | 50.0 | 100.0 |
| ROW % | 100.0 | 42.3 | 23.1 | 19.2 | 3.8 | 0.0 | 7.7 | 3.8 |
| PRIMARY SCHOOL | 33 | 16 | 4 | 5 | 3 | 3 | 2 | 0 |
| COL. % | 55.9 | 59.3 | 40.0 | 50.0 | 75.0 | 100.0 | 50.0 | 0.0 |
| ROW % | 100.0 | 48.5 | 12.1 | 15.2 | 9.1 | 9.1 | 6.1 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.3.2 EDUCATION VS ATTRACTION OF ASS AFTER JOINING-IN

| EDUCATION LEVEL | ***** ATTRACTION OF ASS AFTER JOINING-IN= ADDP+L 30% FREETO OWN 100% OTHER NO BASEINCOMEDISCOTSELL BUSIN.QUARTEREASONANSWER ***** | | | | | | | |
|---------------------|---|-------|-------|-------|-------|-------|-------|-------|
| | 59 | 13 | 12 | 11 | 8 | 6 | 3 | 6 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 20.3 | 18.6 | 13.6 | 10.2 | 5.1 | 10.2 |
| ***** | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 5 | 8 | 6 | 2 | 3 | 0 | 2 |
| COL. % | 44.1 | 38.5 | 66.7 | 54.5 | 25.0 | 50.0 | 0.0 | 33.3 |
| ROW % | 100.0 | 19.2 | 30.8 | 23.1 | 7.7 | 11.5 | 0.0 | 7.7 |
| PRIMARY SCHOOL | 33 | 8 | 4 | 5 | 6 | 3 | 3 | 4 |
| COL. % | 55.9 | 61.5 | 33.3 | 45.5 | 75.0 | 50.0 | 100.0 | 66.7 |
| ROW % | 100.0 | 24.2 | 12.1 | 15.2 | 18.2 | 9.1 | 9.1 | 12.1 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

In the course of selling, the low education group considered the lack of Company's advertising as a serious obstacle. However, various problems were realized by the highest education group, such as the personal delivery, the community problem and others, as was illustrated in Table 5.3.3. Although the highest education group practised different problems in the course of selling, it is seen in Table 5.3.4 that most of them are still not overly concerned. Other education groups in this case would generally say yes if asked the question of depression, as shown in Table 5.3.4.

Irrespective of the different education groups, customers of most respondents do live a great distance from the respondents' residence.

In the course of selling

Table 5.3.6, indicates that the respondents, regardless of their educational level, cannot generally introduce the high price of the product to their customers. Only 32 per cent of the secondary education group would take the lack of confidence in using a new product as an obstacle of selling.

There is a general trend seen in Table 5.3.7 and Table 5.3.8 that the higher the education, the more regular reminding they do of customers to stock products. Most of them serve their customers on a monthly basis.

Self-appraisal of performance

No significant result can be drawn from Table 5.3.9 regarding the numbers of present customers the respondents serve.

There is a fairly equal share of the sales volume ranging from HK\$100 to over HK\$500 by the higher education groups.

TABLE 5.3.3 EDUCATION VS OBSTACLES OF AMWAY SELLING SYSTEM

| EDUCATION LEVEL | ***** OBSTACLES OF AMWAY SELLING SYSTEM PERN+LDUTYOF NO 30%TOO COMMU. OTHER NO NO BASEDELIVYRETAIL ADS LESS PROBLM PROBMOBSEANSWER ***** | | | | | | | | | |
|---------------------|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 59 | 16 | 7 | 25 | 3 | 5 | 1 | 0 | 2 | |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 11.9 | 42.4 | 5.1 | 8.5 | 1.7 | 0.0 | 3.4 | |
| NO FORMAL SCHOOLING | 26 | 4 | 3 | 13 | 2 | 3 | 0 | 0 | 1 | |
| | COL. % | 44.1 | 25.0 | 42.9 | 52.0 | 66.7 | 60.0 | 0.0 | 0.0 | 50.0 |
| | ROW % | 100.0 | 15.4 | 11.5 | 50.0 | 7.7 | 11.5 | 0.0 | 0.0 | 3.8 |
| PRIMARY SCHOOL | 33 | 12 | 4 | 12 | 1 | 2 | 1 | 0 | 1 | |
| | COL. % | 55.9 | 75.0 | 57.1 | 48.0 | 33.3 | 40.0 | 100.0 | 0.0 | 50.0 |
| | ROW % | 100.0 | 36.4 | 12.1 | 36.4 | 3.0 | 6.1 | 3.0 | 0.0 | 3.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |

TABLE 5.3.4 EDUCATION VS DEPRESSION TO SELL

| EDUCATION LEVEL | DEPRESSION TO SELL | | | |
|---------------------|--------------------|--------|-------|-------|
| | YES | | NO | |
| | BASE | ANSWER | | |
| | 59 | 30 | 28 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 50.8 | 47.5 | 1.7 |
| NO FORMAL SCHOOLING | 26 | 11 | 14 | 1 |
| COL. % | 44.1 | 36.7 | 50.0 | 100.0 |
| ROW % | 100.0 | 42.3 | 53.8 | 3.8 |
| PRIMARY SCHOOL | 33 | 19 | 14 | 0 |
| COL. % | 55.9 | 63.3 | 50.0 | 0.0 |
| ROW % | 100.0 | 57.6 | 42.4 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.3.5 EDUCATION VS CUSTOMER'S RESIDENCE

| EDUCATION LEVEL | CUSTOMER RESIDENCE | | | |
|---------------------|--------------------|--------|-------|-------|
| | YES | NO | NO | |
| | BASE | ANSWER | | |
| | 59 | 20 | 39 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 33.9 | 66.1 | 0.0 |
| | ***** | | | |
| NO FORMAL SCHOOLING | 26 | 6 | 20 | 0 |
| COL. % | 44.1 | 30.0 | 51.3 | 0.0 |
| ROW % | 100.0 | 23.1 | 76.9 | 0.0 |
| PRIMARY SCHOOL | 33 | 14 | 19 | 0 |
| COL. % | 55.9 | 70.0 | 48.7 | 0.0 |
| ROW % | 100.0 | 42.4 | 57.6 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| | ***** | | | |

TABLE 5.3.6 EDUCATION VS PROBLEM ENCOUNTERED DURING SELLING PROCESS

| EDUCATION LEVEL | ***** PROBLEM ENCOUNTERED DURING SELLING PROCESS HIGH NO CON BRAND NOT TOO OTHERS NO BASEPRICE ON NEWLOYALT AWARE CONC. ANSWER ***** | | | | | | | |
|---------------------|--|-------|-------|-------|-------|-------|-------|-------|
| | 59 | 33 | 12 | 5 | 3 | 3 | 2 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 55.9 | 20.3 | 8.5 | 5.1 | 5.1 | 3.4 | 1.7 |
| NO FORMAL SCHOOLING | 26 | 14 | 3 | 2 | 2 | 3 | 1 | 1 |
| | COL. % | 44.1 | 42.4 | 25.0 | 40.0 | 66.7 | 100.0 | 50.0 |
| | ROW % | 100.0 | 53.8 | 11.5 | 7.7 | 7.7 | 11.5 | 3.8 |
| PRIMARY SCHOOL | 33 | 19 | 9 | 3 | 1 | 0 | 1 | 0 |
| | COL. % | 55.9 | 57.6 | 75.0 | 60.0 | 33.3 | 0.0 | 50.0 |
| | ROW % | 100.0 | 57.6 | 27.3 | 9.1 | 3.0 | 0.0 | 3.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.3.7 EDUCATION VS TIME LAG TO REMIND CUSTOMERS TO STOCK

| ***** | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|
| TIME LAG TO REMIND CUSTOMERS TO STOCK | | | | | | | | |
| ONE TWO THREE FOUR FIVE OVER NO | | | | | | | | |
| BASEMONTH MONTHS MON. MON. MON. 5 MON. ANSWER | | | | | | | | |
| ***** | | | | | | | | |
| EDUCATION LEVEL | 59 | 17 | 9 | 4 | 1 | 0 | 2 | 26 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 28.8 | 15.3 | 6.8 | 1.7 | 0.0 | 3.4 | 44.1 |
| ***** | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 7 | 5 | 1 | 0 | 0 | 2 | 11 |
| COL. % | 44.1 | 41.2 | 55.6 | 25.0 | 0.0 | 0.0 | 100.0 | 42.3 |
| ROW % | 100.0 | 26.9 | 19.2 | 3.8 | 0.0 | 0.0 | 7.7 | 42.3 |
| PRIMARY SCHOOL | 33 | 10 | 4 | 3 | 1 | 0 | 0 | 15 |
| COL. % | 55.9 | 58.8 | 44.4 | 75.0 | 100.0 | 0.0 | 0.0 | 57.7 |
| ROW % | 100.0 | 30.3 | 12.1 | 9.1 | 3.0 | 0.0 | 0.0 | 45.5 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.3.8 EDUCATION VS TIME LAG TO INTRODUCE ANOTHER PRODUCT

| EDUCATION LEVEL | ***** TIME LAG TO INTRODUCE ANOTHER PRODUCT ONE TWO THREE FOUR FIVE OVER NO BASE MONS. MONS. MON. MON. MON.5 MON. ANSWER ***** | | | | | | | |
|---------------------|--|-------|-------|-------|-------|-------|-------|-------|
| | 50 | 13 | 9 | 3 | 1 | 0 | 2 | 31 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 15.3 | 5.1 | 1.7 | 0.0 | 3.4 | 52.5 |
| NO FORMAL SCHOOLING | 26 | 5 | 6 | 1 | 0 | 0 | 2 | 12 |
| | COL. % | 44.1 | 38.5 | 66.7 | 33.3 | 0.0 | 0.0 | 100.0 |
| | ROW % | 100.0 | 19.2 | 23.1 | 3.8 | 0.0 | 0.0 | 7.7 |
| PRIMARY SCHOOL | 33 | 8 | 3 | 2 | 1 | 0 | 0 | 19 |
| | COL. % | 55.9 | 61.5 | 33.3 | 66.7 | 100.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 24.2 | 9.1 | 6.1 | 3.0 | 0.0 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.3.9 EDUCATION VS NUMBER OF PRESENT CUSTOMERS

| EDUCATION LEVEL | NUMBER OF PRESENT CUSTOMERS | | | | | | | | | |
|---------------------|-----------------------------|-------|-------|-------|-------|-------|-------|---------|-----------|-------|
| | 1 | 3 | 5 | 7 | 9 | 13 | 18 | OVER 18 | NO ANSWER | |
| | BASECUSTOM | | | | | | | | | |
| | 59 | 6 | 6 | 11 | 4 | 4 | 7 | 4 | 11 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 10.9 | 10.9 | 20.0 | 7.3 | 7.3 | 12.7 | 7.3 | 20.0 | 3.6 |
| NO FORMAL SCHOOLING | 26 | 3 | 5 | 2 | 3 | 1 | 2 | 2 | 5 | 1 |
| COL. % | 44.1 | 50.0 | 83.3 | 18.2 | 75.0 | 25.0 | 28.6 | 50.0 | 45.5 | 50.0 |
| ROW % | 100.0 | 12.5 | 20.8 | 8.3 | 12.5 | 4.2 | 8.3 | 8.3 | 20.8 | 4.2 |
| PRIMARY SCHOOL | 33 | 3 | 1 | 9 | 1 | 3 | 5 | 2 | 6 | 1 |
| COL. % | 55.9 | 50.0 | 16.7 | 81.8 | 25.0 | 75.0 | 71.4 | 50.0 | 54.5 | 50.0 |
| ROW % | 100.0 | 9.7 | 3.2 | 29.0 | 3.2 | 9.7 | 16.1 | 6.5 | 19.4 | 3.2 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Generally, 27.1% of respondents reached the sales of below HK\$100 in that particular month. About 32.2% did not give a figure of last month sales, as depicted in Table 5.3.10.

Self-estimate of advance performance

No significant conclusion can be drawn from Table 5.3.11 with respect to the advance sales plan. Most respondents do not prepare an advance sales plan before they visit their customers.

Each educational group is shown to be relatively aggressive in calling on new customers from one to over eighteen, as illustrated in Table 5.3.12.

With the exception of the education group of some secondary which is depicted either too conservative or too aggressive in estimating their future sales, all other education groups share the expected monthly sales volume from HK\$100 to HK\$500 quite uniformly.

The sponsor

In Table 5.3.14, it is clearly seen that over 60 per cent of the education group of above post-secondary do enjoy the sponsorship in this personal selling system, while most of the other education groups have not yet taken up the role of a sponsor.

The advance sponsoring plan

Over 60 per cent of the sponsors of the education group of secondary completed as seen in Table 5.3.15 do have an advance sponsoring plan. The other education groups will not prepare the sponsoring plan.

There is a peculiar trend in Table 5.3.16; that is, the more education the respondents undertook, the greater number of distributors that plan to sponsor in the following month.

TABLE 5.3.10 EDUCATION VS SALES VOLUME OF LAST MONTH

| ***** | | | | | | | | |
|----------------------------|-------|-------|-------|-------|-------|----------|-----------|-------|
| SALES VOLUME OF LAST MONTH | | | | | | | | |
| | 100 | 200 | 300 | 400 | 500 | OVER 500 | NO ANSWER | |
| BASEHK \$ | | | | | | | | |
| ***** | | | | | | | | |
| EDUCATION LEVEL | 59 | 16 | 6 | 3 | 4 | 5 | 6 | 19 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 10.2 | 5.1 | 6.8 | 8.5 | 10.2 | 32.2 |
| ***** | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 8 | 4 | 0 | 0 | 2 | 4 | 8 |
| COL. % | 44.1 | 50.0 | 66.7 | 0.0 | 0.0 | 40.0 | 66.7 | 42.1 |
| ROW % | 100.0 | 30.8 | 15.4 | 0.0 | 0.0 | 7.7 | 15.4 | 30.8 |
| PRIMARY SCHOOL | 33 | 8 | 2 | 3 | 4 | 3 | 2 | 11 |
| COL. % | 55.9 | 50.0 | 33.3 | 100.0 | 100.0 | 60.0 | 33.3 | 57.9 |
| ROW % | 100.0 | 24.2 | 6.1 | 9.1 | 12.1 | 9.1 | 6.1 | 33.3 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.3.11 EDUCATION VS ADVANCE SALES PLAN

| ***** | | | | |
|---------------------|-------|-------|-------|-------|
| ADVANCE SALES PLAN | | | | |
| YES NO NO | | | | |
| BASE ANSWER ANSWER | | | | |
| ***** | | | | |
| EDUCATION LEVEL | 59 | 16 | 41 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 69.5 | 3.4 |
| ***** | | | | |
| NO FORMAL SCHOOLING | 26 | 6 | 19 | 1 |
| COL. % | 44.1 | 37.5 | 46.3 | 50.0 |
| ROW % | 100.0 | 23.1 | 73.1 | 3.8 |
| PRIMARY SCHOOL | 33 | 10 | 22 | 1 |
| COL. % | 55.9 | 62.5 | 53.7 | 50.0 |
| ROW % | 100.0 | 30.3 | 66.7 | 3.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

TABLE 5.3.12 EDUCATION VS FORECAST OF NUMBER OF NEW CUSTOMERS

| ***** | | | | | | | | | | | |
|-------------------------------------|-------|--------|--------|-------|-------|-------|-------|-------|-------|-------|--------|
| FORECAST OF NUMBER OF NEW CUSTOMERS | | | | | | | | | | | |
| | 0 | 1 | BELOW | BELOW | BELOW | BELOW | BELOW | BELOW | OVER | NO | |
| | BASE | CUSTOM | CUSTOM | 3 | 5 | 7 | 9 | 13 | 18 | 18 | ANSWER |
| ***** | | | | | | | | | | | |
| EDUCATION LEVEL | 59 | 7 | 10 | 4 | 0 | 0 | 6 | 0 | 1 | 28 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 12.5 | 17.9 | 7.1 | 0.0 | 0.0 | 10.7 | 0.0 | 1.8 | 50.0 | 0.0 |
| ***** | | | | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 5 | 6 | 1 | 0 | 0 | 2 | 0 | 1 | 10 | 0 |
| COL. % | 44.1 | 71.4 | 60.0 | 25.0 | 0.0 | 0.0 | 33.3 | 0.0 | 100.0 | 35.7 | 0.0 |
| ROW % | 100.0 | 20.0 | 24.0 | 4.0 | 0.0 | 0.0 | 8.0 | 0.0 | 4.0 | 40.0 | 0.0 |
| PRIMARY SCHOOL | 33 | 2 | 4 | 3 | 0 | 0 | 4 | 0 | 0 | 18 | 0 |
| COL. % | 55.9 | 28.6 | 40.0 | 75.0 | 0.0 | 0.0 | 66.7 | 0.0 | 0.0 | 64.3 | 0.0 |
| ROW % | 100.0 | 6.5 | 12.9 | 9.7 | 0.0 | 0.0 | 12.9 | 0.0 | 0.0 | 58.1 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | | |

TABLE 5.3.13 EDUCATION VS FORECAST OF NEXT MONTH'S SALES VOLUME HK \$

| ***** FORECAST OF NEXT MONTH'S SALES VOLUME 'HK \$= 0 100 200 300 400 500 OVER NO BASE 500 ANSWER ***** | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| EDUCATION LEVEL | 59 | 12 | 6 | 4 | 1 | 5 | 3 | 27 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 20.7 | 10.3 | 6.9 | 1.7 | 8.6 | 5.2 | 46.6 | 0.0 |
| ***** | | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 8 | 3 | 1 | 0 | 2 | 1 | 10 | 0 |
| COL. % | 44.1 | 66.7 | 50.0 | 25.0 | 0.0 | 40.0 | 33.3 | 37.0 | 0.0 |
| ROW % | 100.0 | 32.0 | 12.0 | 4.0 | 0.0 | 8.0 | 4.0 | 40.0 | 0.0 |
| PRIMARY SCHOOL | 33 | 4 | 3 | 3 | 1 | 3 | 2 | 17 | 0 |
| COL. % | 55.9 | 33.3 | 50.0 | 75.0 | 100.0 | 60.0 | 66.7 | 63.0 | 0.0 |
| ROW % | 100.0 | 12.1 | 9.1 | 9.1 | 3.0 | 9.1 | 6.1 | 51.5 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | |

TABLE 5.3.14 EDUCATION VS WHETHER OR NOT A SPONSOR

| | | | | |
|---------------------|-------|--------|-------|-------|
| ***** | | | | |
| IF A SPONSOR = | | | | |
| | YES | NO | NO | |
| | BASE | ANSWER | | |
| ***** | | | | |
| EDUCATION LEVEL | 59 | 27 | 32 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 45.8 | 54.2 | 0.0 |
| ***** | | | | |
| NO FORMAL SCHOOLING | 26 | 13 | 13 | 0 |
| COL. % | 44.1 | 48.1 | 40.6 | 0.0 |
| ROW % | 100.0 | 50.0 | 50.0 | 0.0 |
| PRIMARY SCHOOL | 33 | 14 | 19 | 0 |
| COL. % | 55.9 | 51.9 | 59.4 | 0.0 |
| ROW % | 100.0 | 42.4 | 57.6 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

TABLE 5.3.15 EDUCATION VS SPONSORSE SPONSORING PLAN

| ***** | | | | | |
|--------------------------|-------|-------|-------|-------|-------|
| SPONSORSESPONSORING PLAN | | | | | |
| NON YES NO NO | | | | | |
| BASESPONSO ANSWER | | | | | |
| ***** | | | | | |
| EDUCATION LEVEL | 59 | 31 | 10 | 17 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 16.9 | 28.8 | 1.7 |
| ***** | | | | | |
| NO FORMAL SCHOOLING | 26 | 13 | 3 | 10 | 0 |
| COL. % | 44.1 | 41.9 | 30.0 | 58.8 | 0.0 |
| ROW % | 100.0 | 50.0 | 11.5 | 38.5 | 0.0 |
| PRIMARY SCHOOL | 33 | 18 | 7 | 7 | 1 |
| COL. % | 55.9 | 58.1 | 70.0 | 41.2 | 100.0 |
| ROW % | 100.0 | 54.5 | 21.2 | 21.2 | 3.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | |

TABLE 5.3.16 EDUCATION VS NUMBER OF NEW DISTRIBUTORS TO BE SPONSORED

| EDUCATION LEVEL | NUMBER OF NEW DISTRIBUTORS TO BE SPONSORED BY THE SPON | | | | | | | | | |
|---------------------|--|-------|---------|-------|-------|-------|-------|-------|-------|-------|
| | NON | ONE | 3 | 5 | 7 | 9 | OVER | DON'T | ZERO | |
| | BASE | SPONS | ODISTRI | | | | | | | |
| | 59 | 31 | 8 | 4 | 2 | 0 | 0 | 1 | 11 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 13.6 | 6.8 | 3.4 | 0.0 | 0.0 | 1.7 | 18.6 | 3.4 |
| ***** | | | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 13 | 5 | 0 | 1 | 0 | 0 | 0 | 5 | 2 |
| COL. % | 44.1 | 41.9 | 62.5 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 45.5 | 100.0 |
| ROW % | 100.0 | 50.0 | 19.2 | 0.0 | 3.8 | 0.0 | 0.0 | 0.0 | 19.2 | 7.7 |
| PRIMARY SCHOOL | 33 | 18 | 3 | 4 | 1 | 0 | 0 | 1 | 6 | 0 |
| COL. % | 55.9 | 58.1 | 37.5 | 100.0 | 50.0 | 0.0 | 0.0 | 100.0 | 54.5 | 0.0 |
| ROW % | 100.0 | 54.5 | 9.1 | 12.1 | 3.0 | 0.0 | 0.0 | 3.0 | 18.2 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |

The implicit requirements of the prospective distributor

Although most of the various education groups prefer to sponsor those with secondary completed or those with professional training, the highest education group has the highest percentage of sponsoring those with more than a post-secondary education, as was presented in Table 5.3.17.

However, the most important criterion to be a prospective distributor that the sponsor is going to sponsor is his ambitiousness. The higher the education of the sponsor, the wider the range of various requirements of the potential distributor to be considered. This is suggested in Table 5.3.20.

Obstacles and limitations to this selling system

The education group of above secondary completed shares an equal percentage in considering either the lack of confidence of the prospective distributor or the reluctance to be a salesperson. These are major obstacles in the sponsoring process. It is strange to see in Table 5.3.18 that the group with higher education found that this personal selling system of Amway is too complicated and too difficult to be presented in comprehensive words, while the lower education group did not have such problem.

Limitation of the development of this personal selling network is considered as possible by half of the sponsors responded, as seen in Table 5.3.19.

TABLE 5.3.17 EDUCATION VS EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS

| ***** | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|
| EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS | | | | | | | | |
| NON PRIMA ^R SECON ^D POST- ^R PROFE ^S OTHERS DON ^T | | | | | | | | |
| BASE ^S SPON ^S SO ^R SECON ^D SSION ^S KNOW | | | | | | | | |
| ***** | | | | | | | | |
| EDUCATION LEVEL | 59 | 31 | 1 | 8 | 6 | 8 | 3 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 1.7 | 13.6 | 10.2 | 13.6 | 5.1 | 3.4 |
| ***** | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 13 | 1 | 3 | 5 | 1 | 1 | 2 |
| COL. % | 44.1 | 41.9 | 100.0 | 37.5 | 83.3 | 12.5 | 33.3 | 100.0 |
| ROW % | 100.0 | 50.0 | 3.8 | 11.5 | 19.2 | 3.8 | 3.8 | 7.7 |
| PRIMARY SCHOOL | 33 | 18 | 0 | 5 | 1 | 7 | 2 | 0 |
| COL. % | 55.9 | 58.1 | 0.0 | 62.5 | 16.7 | 87.5 | 66.7 | 0.0 |
| ROW % | 100.0 | 54.5 | 0.0 | 15.2 | 3.0 | 21.2 | 6.1 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.3.18 EDUCATION VS OBSTACLES IN THE COURSE OF SPONSORING

| ***** | | | | | | | | |
|---------------------------------------|-----------|--------|--------------|----------|--------|-------|-------|-------|
| OBSTACLES IN THE COURSE OF SPONSORING | | | | | | | | |
| | NON | NO | DL TO COMPL. | NO | OTHERS | DON'T | | |
| | BASESPON. | CONFI. | SALE | MNEXPLAN | PROBLM | KNOW | | |
| ***** | | | | | | | | |
| EDUCATION LEVEL | 59 | 31 | 12 | 13 | 3 | 0 | 0 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 20.3 | 22.0 | 5.1 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 13 | 6 | 7 | 0 | 0 | 0 | 0 |
| COL. % | 44.1 | 41.9 | 50.0 | 53.8 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 50.0 | 23.1 | 26.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| PRIMARY SCHOOL | 33 | 18 | 6 | 6 | 3 | 0 | 0 | 0 |
| COL. % | 55.9 | 58.1 | 50.0 | 46.2 | 100.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 54.5 | 18.2 | 18.2 | 9.1 | 0.0 | 0.0 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.3.19 EDUCATION VS LIMITATION OF THE SYSTEM

| EDUCATION LEVEL | LIMITATION OF THE SYSTEM | | | | |
|---------------------|--------------------------|-------|-------|-------|-------|
| | NON | NO | YES | DON'T | |
| | BASESPON. | | | KNOW | |
| | ***** | ***** | ***** | ***** | ***** |
| | 59 | 31 | 13 | 13 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 22.0 | 22.0 | 3.4 |
| | ***** | ***** | ***** | ***** | ***** |
| NO FORMAL SCHOOLING | 26 | 13 | 7 | 5 | 1 |
| COL. % | 44.1 | 41.9 | 53.8 | 38.5 | 50.0 |
| ROW % | 100.0 | 50.0 | 26.9 | 19.2 | 3.8 |
| PRIMARY SCHOOL | 33 | 18 | 6 | 8 | 1 |
| COL. % | 55.9 | 58.1 | 46.2 | 61.5 | 50.0 |
| ROW % | 100.0 | 54.5 | 18.2 | 24.2 | 3.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ***** | ***** | ***** | ***** | ***** |

TABLE 5.3.20 EDUCATION VS CRITERIA TO BE A NEW DISTRIBUTOR

| ***** | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|
| CRITERIA TO BE A NEW DISTRIBUTOR | | | | | | | | | | |
| NON AMBIT-CONF-CHARACT-TER-ITY-ATIVE-TION-ANSWER | | | | | | | | | | |
| EDUCATION LEVEL | BASE | SPON. | ION | DENCE | TER | ITY | ATIVE | TION | ANSWER | |
| | 59 | 31 | 13 | 9 | 3 | 0 | 3 | 0 | 0 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 22.0 | 15.3 | 5.1 | 0.0 | 5.1 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |
| NO FORMAL SCHOOLING | 26 | 13 | 6 | 5 | 2 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 44.1 | 41.9 | 46.2 | 55.6 | 66.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 50.0 | 23.1 | 19.2 | 7.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PRIMARY SCHOOL | 33 | 18 | 7 | 4 | 1 | 0 | 3 | 0 | 0 | 0 |
| COL. % | 55.9 | 58.1 | 53.8 | 44.4 | 33.3 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 54.5 | 21.2 | 12.1 | 3.0 | 0.0 | 9.1 | 0.0 | 0.0 | 0.0 |
| SOME SECONDARY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SECONDARY COMPLETED | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| POST-SEC OR UNIV. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |

5.4 Distributors' Occupation

Over 50 per cent of the respondents are professionals which means nurses, accountants, auditors and other technical specialists, while over 25 per cent are white collar workers. The remainder of the 23 per cent belongs to the group of students, housewives, blue collar workers, the unemployed and retired, business executives or the unnamed. The latter 23 per cent is classified as a third occupation group, for the sake of simplicity of analysis.

Motives and obstacles

It is shown in Table 5.4.1 that the majority of all the occupation groups are enthused at having the chance to earn additional income.

In the third occupation group, no one has yet realized the advantages of the 100 per cent money back guarantee nor do they believe that this type of selling system can provide a realistic opportunity for them to build up their own business.

Various problems in this personal selling are discovered by the respondents after they joined Amway. They thought that the greatest disadvantages of this selling system are non-advertising and personal delivery. The result is illustrated in Table 5.4.3.

Most of the white collar workers are disappointed with these obstacles while the third occupation group is, in general, still willing to perform the duty of a distributor, as seen in Table 5.4.4.

In the course of selling

Various obstacles are encountered in the course of selling. The biggest problem is in handling the high price of the Amway product. This is shown in Table 5.4.6.

TABLE 5.4.2 OCCUPATION VS ATTRACTION OF AMWAY SELLING SYSTEM AFTER-INE

| ***** | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|
| ATTRACTION OF ASS 'AFTER JOINING-IN= | | | | | | | | |
| ADDN+L 30% FREE TO OWN 100% OTHER NO | | | | | | | | |
| BASE INCOME DISCOTSELL BUSIN. QUARTER REASON ANSWER | | | | | | | | |
| ***** | | | | | | | | |
| PROFESSIONS AND POSITION | 59 | 13 | 12 | 11 | 8 | 6 | 3 | 6 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 20.3 | 18.6 | 13.6 | 10.2 | 5.1 | 10.2 |
| ***** | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 0.0 | 0.0 | 9.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 5 | 5 | 6 | 4 | 4 | 2 | 4 |
| COL. % | 50.8 | 38.5 | 41.7 | 54.5 | 50.0 | 66.7 | 66.7 | 66.7 |
| ROW % | 100.0 | 16.7 | 16.7 | 20.0 | 13.3 | 13.3 | 6.7 | 13.3 |
| WHITE COLLAR WORKERS | 15 | 3 | 3 | 2 | 3 | 2 | 1 | 1 |
| COL. % | 25.4 | 23.1 | 25.0 | 18.2 | 37.5 | 33.3 | 33.3 | 16.7 |
| ROW % | 100.0 | 20.0 | 20.0 | 13.3 | 20.0 | 13.3 | 6.7 | 6.7 |
| BLUE COLLAR WORKERS | 3 | 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 23.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 0 | 0 | 2 | 0 | 0 | 0 | 1 |
| COL. % | 5.1 | 0.0 | 0.0 | 18.2 | 0.0 | 0.0 | 0.0 | 16.7 |
| ROW % | 100.0 | 0.0 | 0.0 | 66.7 | 0.0 | 0.0 | 0.0 | 33.3 |
| STUDENTS | 5 | 1 | 4 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 8.5 | 7.7 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 20.0 | 80.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OTHERS | 2 | 1 | 0 | 0 | 1 | 0 | 0 | 0 |
| COL. % | 3.4 | 7.7 | 0.0 | 0.0 | 12.5 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 50.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.4.1 OCCUPATION VS ATTRACTIVENESS OF AMWAY SELLING SYSTEM BEFORE-INE

| ***** | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| ATTRACTIVENESS OF AMWAY SELL SYS. 'BEF. IN= | | | | | | | | |
| ADDN+L 30% FREE TO OWN 100% OTHER NO | | | | | | | | |
| BASE INCOME DISCOT SELL BUSIN. QUARTER REASON ANSWER | | | | | | | | |
| ***** | | | | | | | | |
| PROFESSIONS AND POSITION | 59 | 27 | 10 | 10 | 4 | 3 | 4 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 45.8 | 16.9 | 16.9 | 6.8 | 5.1 | 6.8 | 1.7 |
| ***** | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 0.0 | 0.0 | 10.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 11 | 8 | 4 | 3 | 1 | 3 | 0 |
| COL. % | 50.8 | 40.7 | 80.0 | 40.0 | 75.0 | 33.3 | 75.0 | 0.0 |
| ROW % | 100.0 | 36.7 | 26.7 | 13.3 | 10.0 | 3.3 | 10.0 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 8 | 1 | 4 | 1 | 0 | 1 | 0 |
| COL. % | 25.4 | 29.6 | 10.0 | 40.0 | 25.0 | 0.0 | 25.0 | 0.0 |
| ROW % | 100.0 | 53.3 | 6.7 | 26.7 | 6.7 | 0.0 | 6.7 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 2 | 0 | 0 | 0 | 1 | 0 | 0 |
| COL. % | 5.1 | 7.4 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 |
| HOUSEWIFE/UNEMP./RETI. | 3 | 0 | 1 | 1 | 0 | 0 | 0 | 1 |
| COL. % | 5.1 | 0.0 | 10.0 | 10.0 | 0.0 | 0.0 | 0.0 | 100.0 |
| ROW % | 100.0 | 0.0 | 33.3 | 33.3 | 0.0 | 0.0 | 0.0 | 33.3 |
| STUDENTS | 5 | 4 | 0 | 0 | 0 | 1 | 0 | 0 |
| COL. % | 8.5 | 14.8 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 |
| ROW % | 100.0 | 80.0 | 0.0 | 0.0 | 0.0 | 20.0 | 0.0 | 0.0 |
| OTHERS | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 3.4 | 7.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.4.3 OCCUPATION VS OBSTACLES OF AMWAY SELLING SYSTEM

OBSTACLES OF AMWAY SELLING SYSTEM

PERN+LDUTYOF NO 30%10000MMU. OTHER NO NO

BASEDELIVYRETAIL ADS LESS PROBLM PRODMOBSELEANSWER

| PROFESSIONS AND POSITION | 59 | 16 | 7 | 25 | 3 | 5 | 1 | 0 | 2 |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 11.9 | 42.4 | 5.1 | 8.5 | 1.7 | 0.0 | 3.4 |
| | ***** | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 9 | 3 | 12 | 1 | 3 | 1 | 0 | 1 |
| COL. % | 50.8 | 56.2 | 42.9 | 48.0 | 33.3 | 60.0 | 100.0 | 0.0 | 50.0 |
| ROW % | 100.0 | 30.0 | 10.0 | 40.0 | 3.3 | 10.0 | 3.3 | 0.0 | 3.3 |
| WHITE COLLAR WORKERS | 15 | 3 | 4 | 6 | 1 | 1 | 0 | 0 | 0 |
| COL. % | 25.4 | 18.7 | 57.1 | 24.0 | 33.3 | 20.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 20.0 | 26.7 | 40.0 | 6.7 | 6.7 | 0.0 | 0.0 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 1 | 0 | 2 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 6.2 | 0.0 | 8.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 33.3 | 0.0 | 66.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| COL. % | 5.1 | 6.2 | 0.0 | 4.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| ROW % | 100.0 | 33.3 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 33.3 |
| STUDENTS | 5 | 2 | 0 | 3 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 8.5 | 12.5 | 0.0 | 12.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 40.0 | 0.0 | 60.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OTHERS | 2 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 |
| COL. % | 3.4 | 0.0 | 0.0 | 4.0 | 0.0 | 20.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 50.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.4.4 OCCUPATION VS DEPRESSION TO SELL

| ***** | | | | |
|--------------------------|-------|--------|-------|-------|
| DEPRESSION TO SELL | | | | |
| YES NO NO | | | | |
| | BASE | ANSWER | | |
| ***** | | | | |
| PROFESSIONS AND POSITION | 59 | 30 | 28 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 50.8 | 47.5 | 1.7 |
| ***** | | | | |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 |
| COL. % | 1.7 | 3.3 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 |
| ***** | | | | |
| PROFESSIONALS | 30 | 15 | 14 | 1 |
| COL. % | 50.8 | 50.0 | 50.0 | 100.0 |
| ROW % | 100.0 | 50.0 | 46.7 | 3.3 |
| ***** | | | | |
| WHITE COLLAR WORKERS | 15 | 9 | 6 | 0 |
| COL. % | 25.4 | 30.0 | 21.4 | 0.0 |
| ROW % | 100.0 | 60.0 | 40.0 | 0.0 |
| ***** | | | | |
| BLUE COLLAR WORKERS | 3 | 1 | 2 | 0 |
| COL. % | 5.1 | 3.3 | 7.1 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| ***** | | | | |
| HSEWIFE/UNEMP./RETI. | 3 | 1 | 2 | 0 |
| COL. % | 5.1 | 3.3 | 7.1 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| ***** | | | | |
| STUDENTS | 5 | 3 | 2 | 0 |
| COL. % | 8.5 | 10.0 | 7.1 | 0.0 |
| ROW % | 100.0 | 60.0 | 40.0 | 0.0 |
| ***** | | | | |
| OTHERS | 2 | 0 | 2 | 0 |
| COL. % | 3.4 | 0.0 | 7.1 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| ***** | | | | |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

TABLE 5.4.5 OCCUPATION VS CUSTOMERSE RESIDENCE

| | ***** CUSTOMER RESIDENCE YES NO NO BASE ANSWER ***** | | | |
|--------------------------|--|-------|-------|-------|
| | 59 | 20 | 39 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 33.9 | 66.1 | 0.0 |
| PROFESSIONS AND POSITION | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 1 | 0 |
| COL. % | 1.7 | 0.0 | 2.6 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| PROFESSIONALS | 30 | 11 | 19 | 0 |
| COL. % | 50.8 | 55.0 | 48.7 | 0.0 |
| ROW % | 100.0 | 36.7 | 63.3 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 3 | 12 | 0 |
| COL. % | 25.4 | 15.0 | 30.8 | 0.0 |
| ROW % | 100.0 | 20.0 | 80.0 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 3 | 0 | 0 |
| COL. % | 5.1 | 15.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 0 | 3 | 0 |
| COL. % | 5.1 | 0.0 | 7.7 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| STUDENTS | 5 | 2 | 3 | 0 |
| COL. % | 8.5 | 10.0 | 7.7 | 0.0 |
| ROW % | 100.0 | 40.0 | 60.0 | 0.0 |
| OTHERS | 2 | 1 | 1 | 0 |
| COL. % | 3.4 | 5.0 | 2.6 | 0.0 |
| ROW % | 100.0 | 50.0 | 50.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| | ***** | | | |

TABLE 5.4.6 OCCUPATION VS PROBLEM ENCOUNTERED DURING SELLING PROCESS

| PROFESSIONS AND POSITION | ***** PROBLEM ENCOUNTERED DURING SELLING PROCESS HIGH NO CON BRAND NOT TOO OTHERS NO BASEPRICE ON NEWLOYALT AWARE CONC. ANSWER ***** | | | | | | | |
|--------------------------|--|-------|-------|-------|-------|-------|-------|-------|
| | 59 | 33 | 12 | 5 | 3 | 3 | 2 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 55.9 | 20.3 | 8.5 | 5.1 | 5.1 | 3.4 | 1.7 |
| ***** | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 3.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 22 | 4 | 2 | 1 | 1 | 0 | 0 |
| COL. % | 50.8 | 66.7 | 33.3 | 40.0 | 33.3 | 33.3 | 0.0 | 0.0 |
| ROW % | 100.0 | 73.3 | 13.3 | 6.7 | 3.3 | 3.3 | 0.0 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 5 | 4 | 1 | 1 | 2 | 2 | 0 |
| COL. % | 25.4 | 15.2 | 33.3 | 20.0 | 33.3 | 66.7 | 100.0 | 0.0 |
| ROW % | 100.0 | 33.3 | 26.7 | 6.7 | 6.7 | 13.3 | 13.3 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 1 | 1 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 3.0 | 8.3 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 33.3 | 33.3 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 1 | 0 | 0 | 1 | 0 | 0 | 1 |
| COL. % | 5.1 | 3.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 100.0 |
| ROW % | 100.0 | 33.3 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 33.3 |
| STUDENTS | 5 | 3 | 2 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 8.5 | 9.1 | 16.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 60.0 | 40.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| OTHERS | 2 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 3.4 | 0.0 | 8.3 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 50.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

The professional group is considered to be the best sales people. They regularly supply goods and introduce new products to their customers, as was seen in Table 5.4.7 and Table 5.4.8.

Self-appraisal of performance

It is found in Table 5.4.9 that the professional group is the leading occupation group regarding the number of present customers the distributor is serving. Over 45 per cent of the professionals are supplying more than thirteen customers.

The professionals again are considered the most contributive with respect to monthly sales volume. Over 30 per cent of them reached sales of over HK\$400 in November of 1975. The least contributive group is the student group of whom 40 per cent sold less than HK\$100 in that particular month, as seen in Table 5.4.10. Unfortunately, the sample size of the student group is quite small.

Self-estimate of advance performance

Most of the respondents do not have a sales plan regardless of their occupation, as seen in Table 5.4.11.

All members of the housewives group, the unemployed and the retired groups are quite confident in forecasting the number of new customers next month, as was shown in 5.4.12. A wider range of the number of new customers would be served by the professionals and the white collars.

Students and professionals are seen in Table 5.4.13 to be the most confident groups in achieving sales of over HK\$500.

The sponsor

It is found in Table 5.4.14 that over 50 per cent of the white collar workers and the students have already become a sponsor.

TABLE 5.4.7 OCCUPATION VS TIME LAG TO REMIND CUSTOMERS TO STOCK

| PROFESSIONS AND POSITION | ***** TIME LAG TO REMIND CUSTOMERS TO STOCK ONE TWO THREE FOUR FIVE OVER NO BASEMONTH MONTHS MON. MON. MON. 5 MON. ANSWER ***** | | | | | | | |
|--------------------------|---|-------|-------|-------|-------|-------|-------|-------|
| | 59 | 17 | 9 | 4 | 1 | 0 | 2 | 26 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 28.8 | 15.3 | 6.8 | 1.7 | 0.0 | 3.4 | 44.1 |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 1.7 | 5.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 9 | 6 | 2 | 1 | 0 | 1 | 11 |
| | COL. % | 50.8 | 52.9 | 66.7 | 50.0 | 100.0 | 0.0 | 50.0 |
| | ROW % | 100.0 | 30.0 | 20.0 | 6.7 | 3.3 | 0.0 | 36.7 |
| WHITE COLLAR WORKERS | 15 | 5 | 2 | 1 | 0 | 0 | 0 | 7 |
| | COL. % | 25.4 | 29.4 | 22.2 | 25.0 | 0.0 | 0.0 | 26.9 |
| | ROW % | 100.0 | 33.3 | 13.3 | 6.7 | 0.0 | 0.0 | 46.7 |
| BLUE COLLAR WORKERS | 3 | 0 | 0 | 1 | 0 | 0 | 0 | 2 |
| | COL. % | 5.1 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 | 7.7 |
| | ROW % | 100.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 66.7 |
| HSEWIFE/UNEMP./RETI. | 3 | 0 | 1 | 0 | 0 | 0 | 0 | 2 |
| | COL. % | 5.1 | 0.0 | 11.1 | 0.0 | 0.0 | 0.0 | 7.7 |
| | ROW % | 100.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 66.7 |
| STUDENTS | 5 | 1 | 0 | 0 | 0 | 0 | 1 | 3 |
| | COL. % | 8.5 | 5.9 | 0.0 | 0.0 | 0.0 | 50.0 | 11.5 |
| | ROW % | 100.0 | 20.0 | 0.0 | 0.0 | 0.0 | 20.0 | 60.0 |
| OTHERS | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | COL. % | 3.4 | 5.9 | 0.0 | 0.0 | 0.0 | 0.0 | 3.8 |
| | ROW % | 100.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.4.8 OCCUPATION VS TIME LAG TO INTRODUCE ANOTHER PRODUCT

| ***** | | | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|-------|--------|--------|
| TIME LAG TO INTRODUCE ANOTHER PRODUCT | | | | | | | | |
| | ONE | TWO | THREE | FOUR | FIVE | OVER | NO | |
| | BASE | MONS. | MONS. | MON. | MON. | MON. | 5 MON. | ANSWER |
| ***** | | | | | | | | |
| PROFESSIONALS AND POSITION | 59 | 13 | 9 | 3 | 1 | 0 | 2 | 31 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 15.3 | 5.1 | 1.7 | 0.0 | 3.4 | 52.5 |
| ***** | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 7.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 4 | 5 | 2 | 1 | 0 | 1 | 17 |
| COL. % | 50.8 | 30.8 | 55.6 | 66.7 | 100.0 | 0.0 | 50.0 | 54.8 |
| ROW % | 100.0 | 13.3 | 16.7 | 6.7 | 3.3 | 0.0 | 3.3 | 56.7 |
| WHITE COLLAR WORKERS | 15 | 5 | 3 | 0 | 0 | 0 | 0 | 7 |
| COL. % | 25.4 | 38.5 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 22.6 |
| ROW % | 100.0 | 33.3 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 | 46.7 |
| BLUE COLLAR WORKERS | 3 | 0 | 0 | 1 | 0 | 0 | 0 | 2 |
| COL. % | 5.1 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 6.5 |
| ROW % | 100.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 66.7 |
| HSEWIFE/UNEMP./RETI. | 3 | 0 | 1 | 0 | 0 | 0 | 0 | 2 |
| COL. % | 5.1 | 0.0 | 11.1 | 0.0 | 0.0 | 0.0 | 0.0 | 6.5 |
| ROW % | 100.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 66.7 |
| STUDENTS | 5 | 2 | 0 | 0 | 0 | 0 | 1 | 2 |
| COL. % | 8.5 | 15.4 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 | 6.5 |
| ROW % | 100.0 | 40.0 | 0.0 | 0.0 | 0.0 | 0.0 | 20.0 | 40.0 |
| OTHERS | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| COL. % | 3.4 | 7.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.2 |
| ROW % | 100.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.4.9 OCCUPATION VS NUMBER OF PRESENT CUSTOMERS

NUMBER OF PRESENT CUSTOMERS

1 3 5 7 9 13 18 OVER NO
BASECUSTOM 18 ANSWER

| | | | | | | | | | | |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| PROFESSIONS AND POSITION | 59 | 6 | 6 | 11 | 4 | 4 | 7 | 4 | 11 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 10.9 | 10.9 | 20.0 | 7.3 | 7.3 | 12.7 | 7.3 | 20.0 | 3.6 |

| | | | | | | | | | | |
|--------------------|-------|-----|-----|-----|-----|-------|-----|-----|-----|-----|
| BUSINESS EXECUTIVE | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 0.0 | 0.0 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | | |
|---------------|-------|------|------|------|------|------|------|------|------|------|
| PROFESSIONALS | 30 | 3 | 3 | 4 | 2 | 2 | 5 | 2 | 6 | 1 |
| COL. % | 50.8 | 50.0 | 50.0 | 36.4 | 50.0 | 50.0 | 71.4 | 50.0 | 54.5 | 50.0 |
| ROW % | 100.0 | 10.7 | 10.7 | 14.3 | 7.1 | 7.1 | 17.9 | 7.1 | 21.4 | 3.6 |

| | | | | | | | | | | |
|----------------------|-------|------|------|------|------|------|-----|------|------|-----|
| WHITE COLLAR WORKERS | 15 | 1 | 3 | 4 | 1 | 1 | 0 | 1 | 3 | 0 |
| COL. % | 25.4 | 16.7 | 50.0 | 36.4 | 25.0 | 25.0 | 0.0 | 25.0 | 27.3 | 0.0 |
| ROW % | 100.0 | 7.1 | 21.4 | 28.6 | 7.1 | 7.1 | 0.0 | 7.1 | 21.4 | 0.0 |

| | | | | | | | | | | |
|---------------------|-------|-----|-----|------|-----|-----|------|-----|-----|-----|
| BLUE COLLAR WORKERS | 3 | 0 | 0 | 1 | 0 | 0 | 2 | 0 | 0 | 0 |
| COL. % | 5.1 | 0.0 | 0.0 | 9.1 | 0.0 | 0.0 | 28.6 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 66.7 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | | | |
|----------------------|-------|-----|-----|------|-----|-----|-----|-----|------|------|
| HSEWIFE/UNEMP./RETI. | 3 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 1 |
| COL. % | 5.1 | 0.0 | 0.0 | 9.1 | 0.0 | 0.0 | 0.0 | 0.0 | 9.1 | 50.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 33.3 | 33.3 |

| | | | | | | | | | | |
|----------|-------|------|-----|-----|------|-----|-----|------|-----|-----|
| STUDENTS | 5 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 0 |
| COL. % | 8.5 | 33.3 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 50.0 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 |

| | | | | | | | | | | |
|--------|-------|-----|-----|------|-----|-----|-----|-----|------|-----|
| OTHERS | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| COL. % | 3.4 | 0.0 | 0.0 | 9.1 | 0.0 | 0.0 | 0.0 | 0.0 | 9.1 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 | 0.0 |

| | | | | | | | | | | |
|-----------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.4.10 OCCUPATION VS SALES VOLUME OF LAST MONTH

| ***** | | | | | | | | |
|----------------------------|-------|-------|-------|-------|-------|----------|-----------|-------|
| SALES VOLUME OF LAST MONTH | | | | | | | | |
| | 100 | 200 | 300 | 400 | 500 | OVER 500 | NO ANSWER | |
| ***** | | | | | | | | |
| BASED \$ | | | | | | | | |
| ***** | | | | | | | | |
| PROFESSIONS AND POSITION | 59 | 16 | 6 | 3 | 4 | 5 | 6 | 19 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 10.2 | 5.1 | 6.8 | 8.5 | 10.2 | 32.2 |
| ***** | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 |
| COL. % | 1.7 | 0.0 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 8 | 3 | 2 | 1 | 4 | 5 | 7 |
| COL. % | 50.8 | 50.0 | 50.0 | 66.7 | 25.0 | 80.0 | 83.3 | 36.8 |
| ROW % | 100.0 | 26.7 | 10.0 | 6.7 | 3.3 | 13.3 | 16.7 | 23.3 |
| WHITE COLLAR WORKERS | 15 | 4 | 3 | 0 | 1 | 0 | 1 | 6 |
| COL. % | 25.4 | 25.0 | 50.0 | 0.0 | 25.0 | 0.0 | 16.7 | 31.6 |
| ROW % | 100.0 | 26.7 | 20.0 | 0.0 | 6.7 | 0.0 | 6.7 | 40.0 |
| BLUE COLLAR WORKERS | 3 | 1 | 0 | 0 | 0 | 1 | 0 | 1 |
| COL. % | 5.1 | 6.2 | 0.0 | 0.0 | 0.0 | 20.0 | 0.0 | 5.3 |
| ROW % | 100.0 | 33.3 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | 33.3 |
| HOUSEWIFE/UNEMP./RETI. | 3 | 1 | 0 | 1 | 0 | 0 | 0 | 1 |
| COL. % | 5.1 | 6.2 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 5.3 |
| ROW % | 100.0 | 33.3 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 33.3 |
| STUDENTS | 5 | 2 | 0 | 0 | 0 | 0 | 0 | 3 |
| COL. % | 8.5 | 12.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 15.8 |
| ROW % | 100.0 | 40.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 60.0 |
| OTHERS | 2 | 0 | 0 | 0 | 1 | 0 | 0 | 1 |
| COL. % | 3.4 | 0.0 | 0.0 | 0.0 | 25.0 | 0.0 | 0.0 | 5.3 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 50.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.4.11 OCCUPATION VS ADVANCE SALES PLAN

| ***** | | | | |
|--------------------------|-------|-------|--------|-------|
| ADVANCE SALES PLAN | | | | |
| | YES | NO | NO | |
| | BASE | | ANSWER | |
| ***** | | | | |
| PROFESSIONS AND POSITION | 59 | 16 | 41 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 27.1 | 69.5 | 3.4 |
| ***** | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 1 | 0 |
| COL. % | 1.7 | 0.0 | 2.4 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| PROFESSIONALS | 30 | 10 | 19 | 1 |
| COL. % | 50.8 | 62.5 | 46.3 | 50.0 |
| ROW % | 100.0 | 33.3 | 63.3 | 3.3 |
| WHITE COLLAR WORKERS | 15 | 2 | 13 | 0 |
| COL. % | 25.4 | 12.5 | 31.7 | 0.0 |
| ROW % | 100.0 | 13.3 | 86.7 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 2 | 1 | 0 |
| COL. % | 5.1 | 12.5 | 2.4 | 0.0 |
| ROW % | 100.0 | 66.7 | 33.3 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 0 | 3 | 0 |
| COL. % | 5.1 | 0.0 | 7.3 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| STUDENTS | 5 | 1 | 3 | 1 |
| COL. % | 8.5 | 6.2 | 7.3 | 50.0 |
| ROW % | 100.0 | 20.0 | 60.0 | 20.0 |
| OTHERS | 2 | 1 | 1 | 0 |
| COL. % | 3.4 | 6.2 | 2.4 | 0.0 |
| ROW % | 100.0 | 50.0 | 50.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

TABLE 5.4.12 OCCUPATION VS FORECAST OF NUMBER OF NEW CUSTOMERS

| ***** | | | | | | | | | | | |
|-------------------------------------|-------|--------|--------|-------|-------|-------|-------|-------|-------|-------|--------|
| FORECAST OF NUMBER OF NEW CUSTOMERS | | | | | | | | | | | |
| | 0 | 1 | 3 | 5 | 7 | 9 | 13 | 18 | 18 | OVER | NO |
| | BASE | CUSTOM | CUSTOM | | | | | | | | ANSWER |
| ***** | | | | | | | | | | | |
| PROFESSIONS AND POSITION | 59 | 7 | 10 | 4 | 0 | 0 | 6 | 0 | 1 | 28 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 12.5 | 17.9 | 7.1 | 0.0 | 0.0 | 10.7 | 0.0 | 1.8 | 50.0 | 0.0 |
| ***** | | | | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| COL. % | 1.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.6 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 |
| PROFESSIONALS | 30 | 3 | 5 | 3 | 0 | 0 | 3 | 0 | 0 | 14 | 0 |
| COL. % | 50.8 | 42.9 | 50.0 | 75.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 50.0 | 0.0 |
| ROW % | 100.0 | 10.7 | 17.9 | 10.7 | 0.0 | 0.0 | 10.7 | 0.0 | 0.0 | 50.0 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 3 | 3 | 1 | 0 | 0 | 2 | 0 | 1 | 4 | 0 |
| COL. % | 25.4 | 42.9 | 30.0 | 25.0 | 0.0 | 0.0 | 33.3 | 0.0 | 100.0 | 14.3 | 0.0 |
| ROW % | 100.0 | 21.4 | 21.4 | 7.1 | 0.0 | 0.0 | 14.3 | 0.0 | 7.1 | 28.6 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| COL. % | 5.1 | 0.0 | 10.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.1 | 0.0 |
| ROW % | 100.0 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 66.7 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 |
| COL. % | 5.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 10.7 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 |
| STUDENTS | 5 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 3 | 0 |
| COL. % | 8.5 | 14.3 | 0.0 | 0.0 | 0.0 | 0.0 | 16.7 | 0.0 | 0.0 | 10.7 | 0.0 |
| ROW % | 100.0 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 | 20.0 | 0.0 | 0.0 | 60.0 | 0.0 |
| OTHERS | 2 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| COL. % | 3.4 | 0.0 | 10.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.6 | 0.0 |
| ROW % | 100.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | | |

TABLE 5.4.13 OCCUPATION VS FORECAST OF NEXT MONTH'S SALES VOLUME HK \$

| ***** | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|----------|-----------|-------|
| FORECAST OF NEXT MONTH'S SALES VOLUME 'HK \$= | | | | | | | | | |
| | 0 | 100 | 200 | 300 | 400 | 500 | OVER 500 | NO ANSWER | |
| BASE | ***** | | | | | | | | |
| PROFESSIONS AND POSITION | 59 | 12 | 6 | 4 | 1 | 5 | 3 | 27 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 20.7 | 10.3 | 6.9 | 1.7 | 8.6 | 5.2 | 45.6 | 0.0 |
| ***** | | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 |
| COL. % | 1.7 | 0.0 | 0.0 | 0.0 | 0.0 | 20.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 5 | 5 | 1 | 0 | 3 | 2 | 14 | 0 |
| COL. % | 50.8 | 41.7 | 83.3 | 25.0 | 0.0 | 60.0 | 66.7 | 51.9 | 0.0 |
| ROW % | 100.0 | 16.7 | 16.7 | 3.3 | 0.0 | 10.0 | 6.7 | 46.7 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 5 | 1 | 2 | 0 | 0 | 1 | 5 | 0 |
| COL. % | 25.4 | 41.7 | 16.7 | 50.0 | 0.0 | 0.0 | 33.3 | 18.5 | 0.0 |
| ROW % | 100.0 | 35.7 | 7.1 | 14.3 | 0.0 | 0.0 | 7.1 | 35.7 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 0 |
| COL. % | 5.1 | 8.3 | 0.0 | 25.0 | 0.0 | 0.0 | 0.0 | 3.7 | 0.0 |
| ROW % | 100.0 | 33.3 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 0 | 0 | 0 | 1 | 0 | 0 | 2 | 0 |
| COL. % | 5.1 | 0.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 7.4 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 | 66.7 | 0.0 |
| STUDENTS | 5 | 1 | 0 | 0 | 0 | 0 | 0 | 4 | 0 |
| COL. % | 8.5 | 8.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 14.8 | 0.0 |
| ROW % | 100.0 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 80.0 | 0.0 |
| OTHERS | 2 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 |
| COL. % | 3.4 | 0.0 | 0.0 | 0.0 | 0.0 | 20.0 | 0.0 | 3.7 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 50.0 | 0.0 | 50.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | |

TABLE 5.4.14 OCCUPATION VS WHETHER OR NOT A SPONSOR

| ***** | | | | |
|--------------------------|-------|--------|--------|-------|
| IF A SPONSOR - | | | | |
| | YES | NO | NO | |
| PROFESSIONS AND POSITION | BASE | ANSWER | ANSWER | |
| ***** | | | | |
| | 59 | 27 | 32 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 45.8 | 54.2 | 0.0 |
| ***** | | | | |
| BUSINESS EXECUTIVE | 1 | 0 | 1 | 0 |
| COL. % | 1.7 | 0.0 | 3.1 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| PROFESSIONALS | 30 | 14 | 16 | 0 |
| COL. % | 50.8 | 51.9 | 50.0 | 0.0 |
| ROW % | 100.0 | 46.7 | 53.3 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 8 | 7 | 0 |
| COL. % | 25.4 | 29.6 | 21.9 | 0.0 |
| ROW % | 100.0 | 53.3 | 46.7 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 1 | 2 | 0 |
| COL. % | 5.1 | 3.7 | 6.2 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 1 | 2 | 0 |
| COL. % | 5.1 | 3.7 | 6.2 | 0.0 |
| ROW % | 100.0 | 33.3 | 66.7 | 0.0 |
| STUDENTS | 5 | 3 | 2 | 0 |
| COL. % | 8.5 | 11.1 | 6.2 | 0.0 |
| ROW % | 100.0 | 60.0 | 40.0 | 0.0 |
| OTHERS | 2 | 0 | 2 | 0 |
| COL. % | 3.4 | 0.0 | 6.2 | 0.0 |
| ROW % | 100.0 | 0.0 | 100.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

Most of respondents in other groups are still at the stage of distributor.

The advance sponsoring plan

Unfortunately, it is seen in Table 5.4.15 that most of the sponsors, regardless of their occupation did not have a sponsoring plan before they sponsored any other people. Only professionals would prepare an advance sponsoring plan. Most of the professionals intend to sponsor a number of distributors in the near future, as shown in Table 5.4.16. It is believed that the professionals are the most ambitious in sponsoring new distributors.

The implicit requirements of the prospective distributor

In general, the majority of the sponsors would like to sponsor distributors of higher educational level such as secondary completed, post-secondary or university, as seen in Table 5.4.17.

However, the education level is not the key factor to be considered in sponsoring a distributor. Most sponsors said that ambitiousness of the prospective distributors is the most important criterion. The sponsors of the white collar group considered the factor of potential distributor's confidence to be as important as his ambitiousness. The professionals consider many factors before they sponsor anyone, as was illustrated in Table 5.4.20.

Obstacles to this selling system

It is seen in Table 5.4.18 that the major obstacle in the course of sponsoring is that most prospective distributors do not have confidence in being a successful salesperson in this personal selling system. An unwillingness to be a salesman is another obstacle usually met in the course of sponsoring. No sponsors believe that

TABLE 5.4.15 OCCUPATION VS SPONSORSE SPONSORING PLAN

| PROFESSIONS AND POSITION | ***** SPONSORSESPONSORING PLAN NON YES NO NO BASESPONSO ANSWER ***** | | | | |
|--------------------------|--|-------|-------|-------|-------|
| | 59 | 31 | 10 | 17 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 16.9 | 28.8 | 1.7 |
| ***** | | | | | |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 |
| COL. % | 1.7 | 3.2 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 16 | 6 | 8 | 0 |
| COL. % | 50.8 | 51.6 | 60.0 | 47.1 | 0.0 |
| ROW % | 100.0 | 53.3 | 20.0 | 26.7 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 6 | 3 | 6 | 0 |
| COL. % | 25.4 | 19.4 | 30.0 | 35.3 | 0.0 |
| ROW % | 100.0 | 40.0 | 20.0 | 40.0 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 2 | 1 | 0 | 0 |
| COL. % | 5.1 | 6.5 | 10.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 33.3 | 0.0 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 2 | 0 | 1 | 0 |
| COL. % | 5.1 | 6.5 | 0.0 | 5.9 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 33.3 | 0.0 |
| STUDENTS | 5 | 2 | 0 | 2 | 1 |
| COL. % | 8.5 | 6.5 | 0.0 | 11.8 | 100.0 |
| ROW % | 100.0 | 40.0 | 0.0 | 40.0 | 20.0 |
| OTHERS | 2 | 2 | 0 | 0 | 0 |
| COL. % | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | |

TABLE 5.4.16 OCCUPATION VS NUMBER OF NEW DISTRIBUTORS TO BE SPONSORED

| | NUMBER OF NEW DISTRIBUTORS TO BE SPONSORED BY THE SPON | | | | | | | | | |
|--------------------------|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | NON | ONE | 3 | 5 | 7 | 9 | OVER | DON'T | ZERO | |
| PROFESSIONS AND POSITION | BASESPONSODISTRI | | | | | | | | | |
| | 59 | 31 | 8 | 4 | 2 | 0 | 0 | 1 | 11 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 13.6 | 6.8 | 3.4 | 0.0 | 0.0 | 1.7 | 18.6 | 3.4 |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 3.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 16 | 4 | 3 | 1 | 0 | 0 | 1 | 4 | 1 |
| COL. % | 50.8 | 51.6 | 50.0 | 75.0 | 50.0 | 0.0 | 0.0 | 100.0 | 36.4 | 50.0 |
| ROW % | 100.0 | 53.3 | 13.3 | 10.0 | 3.3 | 0.0 | 0.0 | 3.3 | 13.3 | 3.3 |
| WHITE COLLAR WORKERS | 15 | 6 | 2 | 1 | 1 | 0 | 0 | 0 | 4 | 1 |
| COL. % | 25.4 | 19.4 | 25.0 | 25.0 | 50.0 | 0.0 | 0.0 | 0.0 | 36.4 | 50.0 |
| ROW % | 100.0 | 40.0 | 13.3 | 6.7 | 6.7 | 0.0 | 0.0 | 0.0 | 26.7 | 6.7 |
| BLUE COLLAR WORKERS | 3 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 6.5 | 12.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| COL. % | 5.1 | 6.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 9.1 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 |
| STUDENTS | 5 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| COL. % | 8.5 | 6.5 | 12.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 18.2 | 0.0 |
| ROW % | 100.0 | 40.0 | 20.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 40.0 | 0.0 |
| OTHERS | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.4.17 OCCUPATION VS EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS

| PROFESSIONS AND POSITION | EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS | | | | | | | |
|--------------------------|---|-------|-------|-------|--------------|-------|-------|-------|
| | NON-PRIMARSECONDPOST-PROFE-OTHERS DON+T | | | | | | | |
| | BASESPONSO | | | | SECONDOSSION | | KNOW | |
| | 59 | 31 | 1 | 8 | 6 | 8 | 3 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 1.7 | 13.6 | 10.2 | 13.6 | 5.1 | 3.4 |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 3.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 16 | 0 | 4 | 2 | 3 | 3 | 2 |
| COL. % | 50.8 | 51.6 | 0.0 | 50.0 | 33.3 | 37.5 | 100.0 | 100.0 |
| ROW % | 100.0 | 53.3 | 0.0 | 13.3 | 6.7 | 10.0 | 10.0 | 6.7 |
| WHITE COLLAR WORKERS | 15 | 6 | 1 | 3 | 2 | 3 | 0 | 0 |
| COL. % | 25.4 | 19.4 | 100.0 | 37.5 | 33.3 | 37.5 | 0.0 | 0.0 |
| ROW % | 100.0 | 40.0 | 6.7 | 20.0 | 13.3 | 20.0 | 0.0 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 2 | 0 | 1 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 6.5 | 0.0 | 12.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 2 | 0 | 0 | 0 | 1 | 0 | 0 |
| COL. % | 5.1 | 6.5 | 0.0 | 0.0 | 0.0 | 12.5 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 0.0 | 0.0 | 33.3 | 0.0 | 0.0 |
| STUDENTS | 5 | 2 | 0 | 0 | 2 | 1 | 0 | 0 |
| COL. % | 8.5 | 6.5 | 0.0 | 0.0 | 33.3 | 12.5 | 0.0 | 0.0 |
| ROW % | 100.0 | 40.0 | 0.0 | 0.0 | 40.0 | 20.0 | 0.0 | 0.0 |
| OTHERS | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.4.18 OCCUPATION VS OBSTACLES IN THE COURSE OF SPONSORING

| PROFESSIONS AND POSITION | ***** OBSTACLES IN THE COURSE OF SPONSORING NON NO DL TO COMPL. NO OTHERS DON'T BASESPON. CONF. SALEMNEXPLANPROBLM KNOW ***** | | | | | | | |
|--------------------------|---|-------|-------|-------|-------|-------|-------|-------|
| | 59 | 31 | 12 | 13 | 3 | 0 | 0 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 20.3 | 22.0 | 5.1 | 0.0 | 0.0 | 0.0 |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 1.7 | 3.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 16 | 7 | 5 | 2 | 0 | 0 | 0 |
| | COL. % | 50.8 | 51.6 | 58.3 | 38.5 | 66.7 | 0.0 | 0.0 |
| | ROW % | 100.0 | 53.3 | 23.3 | 16.7 | 6.7 | 0.0 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 6 | 4 | 4 | 1 | 0 | 0 | 0 |
| | COL. % | 25.4 | 19.4 | 33.3 | 30.8 | 33.3 | 0.0 | 0.0 |
| | ROW % | 100.0 | 40.0 | 26.7 | 26.7 | 6.7 | 0.0 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 2 | 0 | 1 | 0 | 0 | 0 | 0 |
| | COL. % | 5.1 | 6.5 | 0.0 | 7.7 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 66.7 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 |
| HOUSEWIFE/UNEMP./RETI. | 3 | 2 | 0 | 1 | 0 | 0 | 0 | 0 |
| | COL. % | 5.1 | 6.5 | 0.0 | 7.7 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 66.7 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 |
| STUDENTS | 5 | 2 | 1 | 2 | 0 | 0 | 0 | 0 |
| | COL. % | 8.5 | 6.5 | 8.3 | 15.4 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 40.0 | 20.0 | 40.0 | 0.0 | 0.0 | 0.0 |
| OTHERS | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.4.19 OCCUPATION VS LIMITATION OF THE SYSTEM

| PROFESSIONS AND POSITION | LIMITATION OF THE SYSTEM | | | | |
|--------------------------|--------------------------|-------|-------|-------|-------|
| | NON | NO | YES | DON'T | |
| | BASEDON. | | | KNOW | |
| | ***** | | | | |
| | 59 | 31 | 13 | 13 | 2 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 22.0 | 22.0 | 3.4 |
| | ***** | | | | |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 |
| COL. % | 1.7 | 3.2 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 16 | 7 | 6 | 1 |
| COL. % | 50.8 | 51.6 | 53.8 | 46.2 | 50.0 |
| ROW % | 100.0 | 53.3 | 23.3 | 20.0 | 3.3 |
| WHITE COLLAR WORKERS | 15 | 6 | 4 | 5 | 0 |
| COL. % | 25.4 | 19.4 | 30.8 | 38.5 | 0.0 |
| ROW % | 100.0 | 40.0 | 26.7 | 33.3 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 2 | 0 | 1 | 0 |
| COL. % | 5.1 | 6.5 | 0.0 | 7.7 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 33.3 | 0.0 |
| HSENIFF/UNEMP./RETI. | 3 | 2 | 0 | 1 | 0 |
| COL. % | 5.1 | 6.5 | 0.0 | 7.7 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 33.3 | 0.0 |
| STUDENTS | 5 | 2 | 2 | 0 | 1 |
| COL. % | 8.5 | 6.5 | 15.4 | 0.0 | 50.0 |
| ROW % | 100.0 | 40.0 | 40.0 | 0.0 | 20.0 |
| OTHERS | 2 | 2 | 0 | 0 | 0 |
| COL. % | 3.4 | 6.5 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ***** | | | | |

TABLE 5.4.20 OCCUPATION VS CRITERIA TO BE A NEW DISTRIBUTOR

| ***** | | | | | | | | | | |
|----------------------------------|-------|-------|-------|--------|---------|-------|-------|--------|-------|--------|
| CRITERIA TO BE A NEW DISTRIBUTOR | | | | | | | | | | |
| | NON | AMBIT | CONF | CHARAC | MA TURE | GNITI | EDUCA | OTHERS | NO | |
| | BASE | SPO | N | ION | DENCE | TER | ITY | ATIVE | TION | ANSWER |
| ***** | | | | | | | | | | |
| PROFESSIONS AND POSITION | 59 | 31 | 13 | 9 | 3 | 0 | 3 | 0 | 0 | 0 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 52.5 | 22.0 | 15.3 | 5.1 | 0.0 | 5.1 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |
| BUSINESS EXECUTIVE | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 1.7 | 3.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| PROFESSIONALS | 30 | 16 | 6 | 3 | 2 | 0 | 3 | 0 | 0 | 0 |
| COL. % | 50.8 | 51.6 | 46.2 | 33.3 | 66.7 | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 53.3 | 20.0 | 10.0 | 6.7 | 0.0 | 10.0 | 0.0 | 0.0 | 0.0 |
| WHITE COLLAR WORKERS | 15 | 6 | 4 | 4 | 1 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 25.4 | 19.4 | 30.8 | 44.4 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 40.0 | 26.7 | 26.7 | 6.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| BLUE COLLAR WORKERS | 3 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 6.5 | 7.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HSEWIFE/UNEMP./RETI. | 3 | 2 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 5.1 | 6.5 | 0.0 | 11.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 66.7 | 0.0 | 33.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

this personal selling system is too complicated to be explained, except some sponsors of professional and white collar group.

5.5 Distributor's Marital Status

Among the respondents, only 44 per cent were married. The remaining 55 per cent are single.

Most of the married thought that the lack of advertising was a key obstacle to their personal selling. The non-married respondents viewed additionally the personal delivery as an equally difficult obstacle as seen in Table 5.5.3. However, in the subsequent table, it is shown that the married people are generally not discouraged by the above-mentioned obstacle.

In the course of selling

High price is still seen as the greatest obstacle in the course of selling regardless of the respondent's marital status. In the subsequent table 5.5.7 and 5.5.8 the married people do the selling job on a two-month basis. The non-married respondents supply the products to their customers on a monthly basis.

Self-appraisal of performance

Most non-married respondents are serving about five customers. In Table 5.5.10, it is envisioned that the married ones are either very productive in terms of monthly sales volume or quite inactive. The non-married respondents share evenly the range of monthly sales volume from below HK\$100 to over HK\$500.

Self-estimate of advance performance

The majority of the respondents, regardless of the marital status, do not prepare an advance sales plan. 20 per

TABLE 5.5.1 MARITAL STATUS VS ATTRACTIVENESS OF ASS & BEFORE JOINING-IN

ATTRACTIVENESS OF AMWAY SELL SYS. 'REF. IN=

ADDN+L 30% FREE TO OWN 100% OTHER NO

BASE INCOME DISCOT SELL BUSIN. QUARTER REASON ANSWER

| MARITAL STATUS | | 59 | 27 | 10 | 10 | 4 | 3 | 4 | 1 |
|----------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 45.8 | 16.9 | 16.9 | 6.8 | 5.1 | 6.8 | 1.7 |
| | | ***** | | | | | | | |
| MARRIED | | 26 | 11 | 6 | 5 | 1 | 0 | 2 | 1 |
| | COL. % | 44.1 | 40.7 | 60.0 | 50.0 | 25.0 | 0.0 | 50.0 | 100.0 |
| | ROW. % | 100.0 | 42.3 | 23.1 | 19.2 | 3.8 | 0.0 | 7.7 | 3.8 |
| SINGLE | | 33 | 16 | 4 | 5 | 3 | 3 | 2 | 0 |
| | COL. % | 55.9 | 59.3 | 40.0 | 50.0 | 75.0 | 100.0 | 50.0 | 0.0 |
| | ROW. % | 100.0 | 48.5 | 12.1 | 15.2 | 9.1 | 9.1 | 6.1 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW. % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | |

TABLE 5.5.2 M.S. VS ATTRACTION OF AMWAY SELLING SYSTEM AFTER JOINING-IN

ATTRACTION OF ASS 'AFTER JOINING-IN=

ADDN+L 30% FREE TO OWN 100% OTHER NO

BASE INCOME DISCOUNT SELL BUSIN. QUARTER REASON ANSWER

MARITAL STATUS

| | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|
| 59 | 13 | 12 | 11 | 8 | 6 | 3 | 6 |
| 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 100.0 | 22.0 | 20.3 | 18.6 | 13.6 | 10.2 | 5.1 | 10.2 |

MARRIED

| | | | | | | | |
|--------|-------|------|------|------|------|------|-----|
| 26 | 5 | 8 | 6 | 2 | 3 | 0 | 2 |
| COL. % | 44.1 | 38.5 | 66.7 | 54.5 | 25.0 | 50.0 | 0.0 |
| ROW % | 100.0 | 19.2 | 30.8 | 23.1 | 7.7 | 11.5 | 0.0 |

SINGLE

| | | | | | | | |
|--------|-------|------|------|------|------|------|-------|
| 33 | 8 | 4 | 5 | 6 | 3 | 3 | 4 |
| COL. % | 55.9 | 61.5 | 33.3 | 45.5 | 75.0 | 50.0 | 100.0 |
| ROW % | 100.0 | 24.2 | 12.1 | 15.2 | 18.2 | 9.1 | 9.1 |

NO ANSWER

| | | | | | | | |
|--------|-------|-----|-----|-----|-----|-----|-----|
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.5.3 M.S. VS OBSTACLES OF AMWAY SELLING SYSTEM

OBSTACLES OF AMWAY SELLING SYSTEM

PERSONAL DUTY OF NO 30% TOO COMMU. OTHER NO NO

BASED ON DELIVERY RETAIL ADS LESS PROBLEM PROBLEM SELECTION ANSWER

MARITAL STATUS

| | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 59 | 16 | 7 | 25 | 3 | 5 | 1 | 0 | 2 |
| 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 100.0 | 27.1 | 11.9 | 42.4 | 5.1 | 8.5 | 1.7 | 0.0 | 3.4 |

MARRIED

| | | | | | | | | |
|--------|-------|------|------|------|------|------|-----|------|
| 26 | 4 | 3 | 13 | 2 | 3 | 0 | 0 | 1 |
| COL. % | 44.1 | 25.0 | 42.9 | 52.0 | 66.7 | 60.0 | 0.0 | 50.0 |
| ROW % | 100.0 | 15.4 | 11.5 | 50.0 | 7.7 | 11.5 | 0.0 | 3.8 |

SINGLE

| | | | | | | | | |
|--------|-------|------|------|------|------|------|-------|------|
| 33 | 12 | 4 | 12 | 1 | 2 | 1 | 0 | 1 |
| COL. % | 55.9 | 75.0 | 57.1 | 48.0 | 33.3 | 40.0 | 100.0 | 50.0 |
| ROW % | 100.0 | 36.4 | 12.1 | 36.4 | 3.0 | 6.1 | 3.0 | 3.0 |

NO ANSWER

| | | | | | | | | |
|--------|-------|-----|-----|-----|-----|-----|-----|-----|
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

TABLE 5.5.4 MARITAL STATUS VS DEPRESSION TO SELL

| ***** | | | | |
|--------------------|-------|-------|-------|-------|
| DEPRESSION TO SELL | | | | |
| YES NO NO | | | | |
| BASE ANSWER | | | | |
| ***** | | | | |
| MARITAL STATUS | 59 | 30 | 28 | 1 |
| | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 50.8 | 47.5 | 1.7 |
| ***** | | | | |
| MARRIED | 26 | 11 | 14 | 1 |
| COL. % | 44.1 | 36.7 | 50.0 | 100.0 |
| ROW % | 100.0 | 42.3 | 53.8 | 3.8 |
| SINGLE | 33 | 19 | 14 | 0 |
| COL. % | 55.9 | 63.3 | 50.0 | 0.0 |
| ROW % | 100.0 | 57.6 | 42.4 | 0.0 |
| NO ANSWER | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | |

TABLE 5.5.5 MARITAL STATUS VS CUSTOMERSE RESIDENCE

CUSTOMER RESIDENCE

YES NO NO

BASE

ANSWER

MARITAL STATUS

59 20 39 0

100.0 100.0 100.0 100.0

100.0 33.9 66.1 0.0

MARRIED

26 6 20 0

COL. % 44.1 30.0 51.3 0.0

ROW % 100.0 23.1 76.9 0.0

SINGLE

33 14 19 0

COL. % 55.9 70.0 48.7 0.0

ROW % 100.0 42.4 57.6 0.0

NO ANSWER

0 0 0 0

COL. % 0.0 0.0 0.0 0.0

ROW % 100.0 0.0 0.0 0.0

TABLE 5.5.6 MARITAL STATUS VS PROBLEM ENCOUNTERED DURING SELLING PROCESS

| ***** | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|--|
| PROBLEM ENCOUNTERED DURING SELLING PROCESS | | | | | | | | | |
| HIGH NO CON BRAND NOT TOO OTHERS NO | | | | | | | | | |
| BASEPRICE ON NEWLOYALT AWARE CONC. ANSWER | | | | | | | | | |
| ***** | | | | | | | | | |
| MARITAL STATUS | 59 | 33 | 12 | 5 | 3 | 3 | 2 | 1 | |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |
| | 100.0 | 55.9 | 20.3 | 8.5 | 5.1 | 5.1 | 3.4 | 1.7 | |
| ***** | | | | | | | | | |
| MARRIED | 26 | 14 | 3 | 2 | 2 | 3 | 1 | 1 | |
| COL. % | 44.1 | 42.4 | 25.0 | 40.0 | 66.7 | 100.0 | 50.0 | 100.0 | |
| ROW % | 100.0 | 53.8 | 11.5 | 7.7 | 7.7 | 11.5 | 3.8 | 3.8 | |
| ***** | | | | | | | | | |
| SINGLE | 33 | 19 | 9 | 3 | 1 | 0 | 1 | 0 | |
| COL. % | 55.9 | 57.6 | 75.0 | 60.0 | 33.3 | 0.0 | 50.0 | 0.0 | |
| ROW % | 100.0 | 57.6 | 27.3 | 9.1 | 3.0 | 0.0 | 3.0 | 0.0 | |
| ***** | | | | | | | | | |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ***** | | | | | | | | | |

TABLE 5.5.7 MARITAL STATUS VS TIME LAG TO REMIND CUSTOMERS TO STOCK

| | | ***** | | | | | | | |
|----------------|--------|---|-------|-------|-------|-------|-------|-------|-------|
| | | TIME LAG TO REMIND CUSTOMERS TO STOCK | | | | | | | |
| | | ONE TWO THREE FOUR FIVE OVER NO | | | | | | | |
| | | BASEMONTH MONTHS MON. MON. MON. 5 MON. ANSWER | | | | | | | |
| ***** | | ***** | | | | | | | |
| MARITAL STATUS | | 59 | 17 | 9 | 4 | 1 | 0 | 2 | 26 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 28.8 | 15.3 | 6.8 | 1.7 | 0.0 | 3.4 | 44.1 |
| | | ***** | | | | | | | |
| MARRIED | | 26 | 7 | 5 | 1 | 0 | 0 | 2 | 11 |
| | COL. % | 44.1 | 41.2 | 55.6 | 25.0 | 0.0 | 0.0 | 100.0 | 42.3 |
| | ROW % | 100.0 | 26.9 | 19.2 | 3.8 | 0.0 | 0.0 | 7.7 | 42.3 |
| SINGLE | | 33 | 10 | 4 | 3 | 1 | 0 | 0 | 15 |
| | COL. % | 55.9 | 58.8 | 44.4 | 75.0 | 100.0 | 0.0 | 0.0 | 57.7 |
| | ROW % | 100.0 | 30.3 | 12.1 | 9.1 | 3.0 | 0.0 | 0.0 | 45.5 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | |

TABLE 5.5.8 MARITAL STATUS VS TIME LAG TO INTRODUCE ANOTHER PRODUCT

| ***** | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| TIME LAG TO INTRODUCE ANOTHER PRODUCT | | | | | | | | |
| ONE TWO THREE FOUR FIVE OVER NO | | | | | | | | |
| BASE MONS. MONS. MON. MON. MON.5 MON. ANSWER | | | | | | | | |
| ***** | | | | | | | | |
| MARITAL STATUS | 59 | 13 | 9 | 3 | 1 | 0 | 2 | 31 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | 100.0 | 22.0 | 15.3 | 5.1 | 1.7 | 0.0 | 3.4 | 52.5 |
| ***** | | | | | | | | |
| MARRIED | 26 | 5 | 6 | 1 | 0 | 0 | 2 | 12 |
| COL. % | 44.1 | 38.5 | 66.7 | 33.3 | 0.0 | 0.0 | 100.0 | 38.7 |
| ROW % | 100.0 | 19.2 | 23.1 | 3.8 | 0.0 | 0.0 | 7.7 | 46.2 |
| SINGLE | 33 | 8 | 3 | 2 | 1 | 0 | 0 | 19 |
| COL. % | 55.9 | 61.5 | 33.3 | 66.7 | 100.0 | 0.0 | 0.0 | 61.3 |
| ROW % | 100.0 | 24.2 | 9.1 | 6.1 | 3.0 | 0.0 | 0.0 | 57.6 |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | |

TABLE 5.5.10 MARITAL STATUS VS SALES VOLUME OF LAST MONTH

| | | ***** | | | | | | | |
|----------------|--------|----------------------------|-------|-------|-------|-------|-------|-------|-------|
| | | SALES VOLUME OF LAST MONTH | | | | | | | |
| | | 100 | 200 | 300 | 400 | 500 | OVER | NO | |
| | | BASEHK \$ | | | | | | | |
| | | ***** | | | | | | | |
| MARITAL STATUS | | 59 | 16 | 6 | 3 | 4 | 5 | 6 | 19 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 27.1 | 10.2 | 5.1 | 6.8 | 8.5 | 10.2 | 32.2 |
| | | ***** | | | | | | | |
| MARRIED | | 26 | 8 | 4 | 0 | 0 | 2 | 4 | 8 |
| | COL. % | 44.1 | 50.0 | 66.7 | 0.0 | 0.0 | 40.0 | 66.7 | 42.1 |
| | ROW % | 100.0 | 30.8 | 15.4 | 0.0 | 0.0 | 7.7 | 15.4 | 30.8 |
| SINGLE | | 33 | 8 | 2 | 3 | 4 | 3 | 2 | 11 |
| | COL. % | 55.9 | 50.0 | 33.3 | 100.0 | 100.0 | 60.0 | 33.3 | 57.9 |
| | ROW % | 100.0 | 24.2 | 6.1 | 9.1 | 12.1 | 9.1 | 6.1 | 33.3 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | |

cent of the married people do not want to increase new customers in the following month. The non-married respondents do want to serve more customers next month. The percentage of the non-married respondents who forecast to increase over eighteen customers is much higher than that of the married individuals as shown in Table 5.5.12. The married group is thus thought to be less alert in increasing customers than the single respondents.

The sponsor

The percentage of the sponsors who are married is comparatively higher than that of those who are non-married. This indicates that the married would more likely enjoy the sponsorship than the respondents who do not yet get married. The result is illustrated in Table 5.5.14. However, it is strange to see in Table 5.5.15 that although a fairly high percentage of the married joined as a sponsor, most of them, 77 per cent, did not have an advance sponsoring plan. It is found in Table 5.5.16 that the unmarried sponsors are much more aggressive in forecasting the number of new distributors than the married sponsors. More new distributors will be sponsored by the unmarried sponsors than by the married.

The implicit requirements of the prospective distributor

Generally, the married sponsors would like to sponsor prospective distributors of post-secondary education or above. The non-married sponsors would like to sponsor potential distributors of secondary completed or professional training, as seen in Table 5.5.17. In addition, most sponsors, despite their marital status thought of

TABLE 5.5.11 MARITAL STATUS VS ADVANCE SALES PLAN

| | | ***** | | | |
|----------------|--------|--------------------|-------|-------|-------|
| | | ADVANCE SALES PLAN | | | |
| | | YES | NO | NO | |
| MARITAL STATUS | BASE | ANSWER | | | |
| | | | | | |
| | | ***** | | | |
| | | 59 | 16 | 41 | 2 |
| | | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 27.1 | 69.5 | 3.4 |
| | | ***** | | | |
| MARRIED | | 26 | 6 | 19 | 1 |
| | COL. % | 44.1 | 37.5 | 46.3 | 50.0 |
| | ROW % | 100.0 | 23.1 | 73.1 | 3.8 |
| SINGLE | | 33 | 10 | 22 | 1 |
| | COL. % | 55.9 | 62.5 | 53.7 | 50.0 |
| | ROW % | 100.0 | 30.3 | 66.7 | 3.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | |

TABLE 5.5.12 MARITAL STATUS VS FORECAST OF NUMBER OF NEW CUSTOMERS

| ***** | | | | | | | | | | | | |
|-------------------------------------|--------|-------|--------|--------|-------|-------|-------|-------|-------|-------|-------|--------|
| FORECAST OF NUMBER OF NEW CUSTOMERS | | | | | | | | | | | | |
| | | 0 | 1 | BELOW | BELOW | BELOW | BELOW | BELOW | BELOW | OVER | NO | |
| | | BASE | CUSTOM | CUSTOM | 3 | 5 | 7 | 9 | 13 | 18 | 18 | ANSWER |
| ***** | | | | | | | | | | | | |
| MARITAL STATUS | | 59 | 7 | 10 | 4 | 0 | 0 | 6 | 0 | 1 | 28 | 0 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 12.5 | 17.9 | 7.1 | 0.0 | 0.0 | 10.7 | 0.0 | 1.8 | 50.0 | 0.0 |
| ***** | | | | | | | | | | | | |
| MARRIED | | 26 | 5 | 6 | 1 | 0 | 0 | 2 | 0 | 1 | 10 | 0 |
| | COL. % | 44.1 | 71.4 | 60.0 | 25.0 | 0.0 | 0.0 | 33.3 | 0.0 | 100.0 | 35.7 | 0.0 |
| | ROW % | 100.0 | 20.0 | 24.0 | 4.0 | 0.0 | 0.0 | 8.0 | 0.0 | 4.0 | 40.0 | 0.0 |
| SINGLE | | 33 | 2 | 4 | 3 | 0 | 0 | 4 | 0 | 0 | 18 | 0 |
| | COL. % | 55.9 | 28.6 | 40.0 | 75.0 | 0.0 | 0.0 | 66.7 | 0.0 | 0.0 | 64.3 | 0.0 |
| | ROW % | 100.0 | 6.5 | 12.9 | 9.7 | 0.0 | 0.0 | 12.9 | 0.0 | 0.0 | 58.1 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | | | |

MASTER THESIS - DIRECT SELLING SURVEY BY HO YU-CHOI

TABLE 5.5.13 MARITAL STATUS VS FORECAST OF NEXT MONTH'S SALES VOLUME £HK \$£

| ***** | | | | | | | | | | |
|---|--------|-------|-------|-------|-------|-------|-------|-------|------------|-------|
| FORECAST OF NEXT MONTH'S SALES VOLUME PK \$ | | | | | | | | | | |
| | | 0 | 100 | 200 | 300 | 400 | 500 | OVER | NO | |
| | | BASE | | | | | | | 500 ANSWER | |
| ***** | | | | | | | | | | |
| MARITAL STATUS | | 59 | 12 | 6 | 4 | 1 | 5 | 3 | 27 | 0 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 20.7 | 10.3 | 6.9 | 1.7 | 8.6 | 5.2 | 46.6 | 0.0 |
| ***** | | | | | | | | | | |
| MARRIED | | 26 | 8 | 3 | 1 | 0 | 2 | 1 | 10 | 0 |
| | COL. % | 44.1 | 66.7 | 50.0 | 25.0 | 0.0 | 40.0 | 33.3 | 37.0 | 0.0 |
| | ROW % | 100.0 | 32.0 | 12.0 | 4.0 | 0.0 | 8.0 | 4.0 | 40.0 | 0.0 |
| ***** | | | | | | | | | | |
| SINGLE | | 33 | 4 | 3 | 3 | 1 | 3 | 2 | 17 | 0 |
| | COL. % | 55.9 | 33.3 | 50.0 | 75.0 | 100.0 | 60.0 | 66.7 | 63.0 | 0.0 |
| | ROW % | 100.0 | 12.1 | 9.1 | 9.1 | 3.0 | 9.1 | 6.1 | 51.5 | 0.0 |
| ***** | | | | | | | | | | |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | | | | | | |

TABLE 5.5.14 MARITAL STATUS VS WHETHER OR NOT A SPONSOR

| ***** | | | | | |
|----------------|--------|-------|-------|-------|-------|
| IF A SPONSOR - | | | | | |
| YES NO NO | | | | | |
| BASE ANSWER | | | | | |
| ***** | | | | | |
| MARITAL STATUS | | 59 | 27 | 32 | 0 |
| | | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 45.8 | 54.2 | 0.0 |
| ***** | | | | | |
| MARRIED | | 26 | 13 | 13 | 0 |
| | COL. % | 44.1 | 48.1 | 40.6 | 0.0 |
| | ROW % | 100.0 | 50.0 | 50.0 | 0.0 |
| SINGLE | | 33 | 14 | 19 | 0 |
| | COL. % | 55.9 | 51.9 | 59.4 | 0.0 |
| | ROW % | 100.0 | 42.4 | 57.6 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 |
| ***** | | | | | |

TABLE 5.5.15 MARITAL STATUS VS SPONSORSE SPONSORING PLAN

| | | ***** SPONSORSESPONSORING PLAN NON YES NO NO BASESPONSO ANSWER ***** | | | | |
|----------------|--------|--|-------|-------|-------|-------|
| MARITAL STATUS | | 59 | 31 | 10 | 17 | 1 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 52.5 | 16.9 | 28.8 | 1.7 |
| | | ***** | | | | |
| MARRIED | | 26 | 13 | 3 | 10 | 0 |
| | COL. % | 44.1 | 41.9 | 30.0 | 58.8 | 0.0 |
| | ROW % | 100.0 | 50.0 | 11.5 | 38.5 | 0.0 |
| SINGLE | | 33 | 18 | 7 | 7 | 1 |
| | COL. % | 55.9 | 58.1 | 70.0 | 41.2 | 100.0 |
| | ROW % | 100.0 | 54.5 | 21.2 | 21.2 | 3.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | |

TABLE 5.5.16 MARITAL STATUS VS NUMBER OF NEW DISTRIBUTORS TO BE SPONSORED

| ***** | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--|
| NUMBER OF NEW DISTRIBUTORS TO BE SPONSORED BY THE SPON | | | | | | | | | | | |
| NON ONE 3 5 7 9 OVER DON+T ZERO | | | | | | | | | | | |
| BASESPONSODISTRI 9 KNOW | | | | | | | | | | | |
| ***** | | | | | | | | | | | |
| MARITAL STATUS | 59 | 31 | 8 | 4 | 2 | 0 | 0 | 1 | 11 | 2 | |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | |
| | 100.0 | 52.5 | 13.6 | 6.8 | 3.4 | 0.0 | 0.0 | 1.7 | 18.6 | 3.4 | |
| ***** | | | | | | | | | | | |
| MARRIED | 26 | 13 | 5 | 0 | 1 | 0 | 0 | 0 | 5 | 2 | |
| COL. % | 44.1 | 41.9 | 62.5 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 45.5 | 100.0 | |
| ROW % | 100.0 | 50.0 | 19.2 | 0.0 | 3.8 | 0.0 | 0.0 | 0.0 | 19.2 | 7.7 | |
| SINGLE | 33 | 18 | 3 | 4 | 1 | 0 | 0 | 1 | 6 | 0 | |
| COL. % | 55.9 | 58.1 | 37.5 | 100.0 | 50.0 | 0.0 | 0.0 | 100.0 | 54.5 | 0.0 | |
| ROW % | 100.0 | 54.5 | 9.1 | 12.1 | 3.0 | 0.0 | 0.0 | 3.0 | 18.2 | 0.0 | |
| NO ANSWER | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| ***** | | | | | | | | | | | |

TABLE 5.5, 17 MARITAL STATUS VS EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS

| | | ***** EDUCATION LEVEL OF POTENTIAL DISTRIBUTORS NON PRIMARSECONDPOST- PROFE-OTHERS DON+T BASESPONSO SECONDSSION KNOW ***** | | | | | | | |
|----------------|--------|--|-------|-------|-------|-------|-------|-------|-------|
| MARITAL STATUS | | 59 | 31 | 1 | 8 | 6 | 8 | 3 | 2 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 52.5 | 1.7 | 13.6 | 10.2 | 13.6 | 5.1 | 3.4 |
| | | ***** | | | | | | | |
| MARRIED | | 26 | 13 | 1 | 3 | 5 | 1 | 1 | 2 |
| | COL. % | 44.1 | 41.9 | 100.0 | 37.5 | 83.3 | 12.5 | 33.3 | 100.0 |
| | ROW % | 100.0 | 50.0 | 3.8 | 11.5 | 19.2 | 3.8 | 3.8 | 7.7 |
| SINGLE | | 33 | 18 | 0 | 5 | 1 | 7 | 2 | 0 |
| | COL. % | 55.9 | 58.1 | 0.0 | 62.5 | 16.7 | 87.5 | 66.7 | 0.0 |
| | ROW % | 100.0 | 54.5 | 0.0 | 15.2 | 3.0 | 21.2 | 6.1 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | |

the ambitiousness of the potential distributor as an important criterion to be valued before they perform the sponsoring role, as depicted in Table 5.5.20.

Limitations to this selling system

It is seen in Table 5.5.19 that most of the married considered there will be no limitation to this type of personal selling. But majority of the non-married respondents predicted that there does exist a limitation to this personal selling due to the poor economic situation, progress in social welfare system and many other factors discussed in earlier sections.

5.6 Overall performance of Distributor

Out of 62 copies of questionnaires returned, twenty copies responded to question 13 in the questionnaire, which asked respondents how many new customers they will add each month. The rest of the forty two respondents gave either a zero mark or no response to this question. There are about sixty new customers added to the current customers list. In other words, each respondent would have one additional new customer every month.

At present, about five hundred and ten customers were served by forty five distributors who responded to question 9 in the questionnaire. The rest of the fourteen respondents gave either no answer or a zero mark to this question. Question 9 asked respondents how many customers they are serving. Then the average number of present customers served by each distributor is nine. The number is far below what the Amway expects. As mentioned in Chapter Two, each distributor is advised to serve twenty customers at the beginning. The performance of present distributors cannot meet the requirement of the Amway company.

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TABLE 5.5.18 MARITAL STATUS VS OBSTACLES IN THE COURSE OF SPONSORING

| | | ***** OBSTACLES IN THE COURSE OF SPONSORING NON NO DL.TO COMPL. NO OTHERS DON+T BASESPON. CONF. SALEMEXPLANPROBLM KNOW ***** | | | | | | | |
|----------------|--------|--|-------|-------|-------|-------|-------|-------|-------|
| MARITAL STATUS | | 59 | 31 | 12 | 13 | 3 | 0 | 0 | 0 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 52.5 | 20.3 | 22.0 | 5.1 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | |
| MARRIED | | 26 | 13 | 6 | 7 | 0 | 0 | 0 | 0 |
| | COL. % | 44.1 | 41.9 | 50.0 | 53.8 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 50.0 | 23.1 | 26.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| SINGLE | | 33 | 18 | 6 | 6 | 3 | 0 | 0 | 0 |
| | COL. % | 55.9 | 58.1 | 50.0 | 46.2 | 100.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 54.5 | 18.2 | 18.2 | 9.1 | 0.0 | 0.0 | 0.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | | | | |

TABLE 5.5.19 MARITAL STATUS VS LIMITATION OF THE SYSTEM

| | | ***** LIMITATION OF THE SYSTEM NON NO YES DON'T BASESPON. KNOW ***** | | | | |
|----------------|--------|--|-------|-------|-------|-------|
| MARITAL STATUS | | 59 | 31 | 13 | 13 | 2 |
| | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | | 100.0 | 52.5 | 22.0 | 22.0 | 3.4 |
| | | ***** | | | | |
| MARRIED | | 26 | 13 | 7 | 5 | 1 |
| | COL. % | 44.1 | 41.9 | 53.8 | 38.5 | 50.0 |
| | ROW % | 100.0 | 50.0 | 26.9 | 19.2 | 3.8 |
| SINGLE | | 33 | 18 | 6 | 8 | 1 |
| | COL. % | 55.9 | 58.1 | 46.2 | 61.5 | 50.0 |
| | ROW % | 100.0 | 54.5 | 18.2 | 24.2 | 3.0 |
| NO ANSWER | | 0 | 0 | 0 | 0 | 0 |
| | COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | ***** | | | | |

TABEL 5.5.20 MARITAL STATUS VS CRITERIA TO BE A NEW DISTRIBUTOR

CRITERIA TO BE A NEW DISTRIBUTOR

NON AMBIT-CONFIDENCE CHARACTERISTICS EDUCATION OTHERS NO

BASESPON. ION DENCE TER ITY ATIVE TION ANSWER

MARITAL STATUS

| | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 59 | 31 | 13 | 9 | 3 | 0 | 3 | 0 | 0 | 0 |
| 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 100.0 | 52.5 | 22.0 | 15.3 | 5.1 | 0.0 | 5.1 | 0.0 | 0.0 | 0.0 |

MARRIED

| | | | | | | | | | |
|--------|-------|------|------|------|------|-----|-----|-----|-----|
| 26 | 13 | 6 | 5 | 2 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 44.1 | 41.9 | 46.2 | 55.6 | 66.7 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 50.0 | 23.1 | 19.2 | 7.7 | 0.0 | 0.0 | 0.0 | 0.0 |

SINGLE

| | | | | | | | | | |
|--------|-------|------|------|------|------|-----|-------|-----|-----|
| 33 | 18 | 7 | 4 | 1 | 0 | 3 | 0 | 0 | 0 |
| COL. % | 55.9 | 58.1 | 53.8 | 44.4 | 33.3 | 0.0 | 100.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 54.5 | 21.2 | 12.1 | 3.0 | 0.0 | 9.1 | 0.0 | 0.0 |

NO ANSWER

| | | | | | | | | | |
|--------|-------|-----|-----|-----|-----|-----|-----|-----|-----|
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COL. % | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| ROW % | 100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

The purpose of setting question 10 in the questionnaire is to know how much the sales volume of each distributor was one month before distributors responded to the questionnaire. In total, the sales volume in November last year was HK\$13,690. This sales volume was shared by forty five distributors who responded the question 10. The rest of the fourteen respondents made no sales in that particular month. On the average, each respondent attained a monthly sales of HK\$230, which is far below HK\$500 — the expected least sales for each distributor. Since each respondent serves about nine customers, then the monthly purchase of each customer is around HK\$26 per month.

However, all above figures are somewhat different from what we stated in Chapter Two. In Chapter Two, each distributor was seen to have an average monthly sales of HK\$100. But calculated from the questionnaire, the monthly sales of each respondent is HK\$230. This indicated that the respondents are more productive in terms of monthly sales than those who did not return their questionnaires.

5.7 Summary of Chapter Five

Most respondents are in the age group of twenty to thirty with an income level of up to HK\$3,000 per month and with an educational background of over secondary school. They are usually professionals, such as nurses, accountants, auditors. Half of the respondents are married.

Respondents joined Amway primarily because they wanted to earn an additional income. They thought that major obstacles to this type of selling was lack of advertising and sales promotion. Personal delivery of goods was also of concern.

The price of the Amway products was considered to be too high.¹ As a result, the products may not be acceptable to the final user. For a specific example listed in Appendix I, the price of Amway detergent powder is much higher than the price of other competitive products. A box of two-pound Amway detergent powder costs HK\$17.00 while other products of the same weight are HK\$3.10 to \$7.70 only.

Although most respondents had great confidence in increasing their new customers and sales volume, seldom did they call on their customers on a regular basis. This may seriously affect the true philosophy of personal service.

The most productive group was found to be the professionals with a monthly income of up to HK\$3,000, and in the twenty to thirty age group.

Each distributor is at present serving nine customers. Each customer, on the average, spends HK\$26 on purchasing the Amway products monthly. Each respondent can generally achieve a monthly sales of HK\$230. This performance of distributor is far below what the Amway expects.

¹ See Appendix I.

6.0 CONCLUSIONS AND RECOMMENDATIONS

Based on the information from Hong Kong Amway and the data analysed in previous chapters, the results are stated below. However, before drawing the conclusions, two assumptions will be made to make the results significant.

The first assumption is that all respondents are distributors of Hong Kong Amway. These salespeople can thoroughly understand and practise the spirit of the Amway personal selling method. What they answered in the questionnaire will be regarded as honest, to their best knowledge, about this personal selling system. Second, all respondents are also consumers of the Amway products. Almost all of the distributors informally interviewed use the Amway product because of the 30 per cent price discount. By the way, respondents who responded to this questionnaire are found to have actively participated in the company's activities and are treated as representatives of all Amway salespeople, as mentioned at page 183.

6.1 Improvements of the Company's Sales

Many of the inefficiencies concluded from the answers of the respondents are expected to be eliminated by carrying out a publicity campaign which would make the potential customers aware of the existence of the Amway Company as well as of the types of products it offers. The use of advertising can also reduce the

time in introducing the Amway product. With an image of the company, customers should be more willing to accept the offer by the distributor. In the course of sponsoring, the potential distributor may easily understand what the sponsor tells him if he heard something about Amway through mass media. Confidence may also easily be gained from the introduction speech of the sponsor if the future distributor had heard of Amway. Advertising holds a key role in expanding the personal selling network.

Sales promotion should be held frequently to stimulate the growth of sales. Growth of sales would also mean the growth of the company's image because of a wider distribution of the products. Along with sales promotion, other types of sponsoring contest should also be held periodically. This can help to expand the distributor network. As stated in Chapter Two, in May there was a sharp increase in the number of distributors. This was due to the fact that there was a sponsor's competition in April.

Another advantage of holding a sponsoring contest is that it would make the non-sponsors realize the practical and realistic benefits of being a sponsor. The result analysed in Chapter Two shows that to be successful in this personal selling system, both roles of sponsoring and selling should be performed equally well. Over 50 per cent of the respondents are not sponsors. Most of the productive groups in terms of monthly sales, such as the professionals, the non-married, and the age group of 20 to 30 have not yet joined the line of sponsors. At present, the sponsoring function and the selling function are not well-balanced. For example, the

most effective group in sales per customer is mostly the non-sponsor group while the majority of the sponsors do not usually show good sales performance. Therefore, it is believed that an advertising campaign and sales promotion program can promote sales while sponsoring contests can expand the line of sponsorship. After performing these two functions, sales can surely be increased.

6.2 The Personal Service

Actually, the whole spirit of this selling program lies in the rationale of personal service. Every inconvenience met by the consumers should be handled through the distributor. Lack of personal service will bring this personal selling system to an end.

In view of the results drawn from Chapter Four, most respondents do not serve their customers regularly. Only a very small number provides personal service on a monthly or two-months basis. A tri-monthly service may somehow lose the meaning of personal selling. In such a long period, the customers may buy competitive products elsewhere. As a matter of fact, there was one occasion that customer A was convinced by an Amway distributor B to buy two kinds of Amway products. One was a box of two pounds powder detergent, the other, a bottle of pre-wash liquid cleaner. After a period of four months, there was not a telephone call from the distributor B. The customer A shifted to another brand of products after finishing Amway's. This type of evidence may not represent the general situation existing in the Amway personal selling system. However, it shows the importance for the short period regular

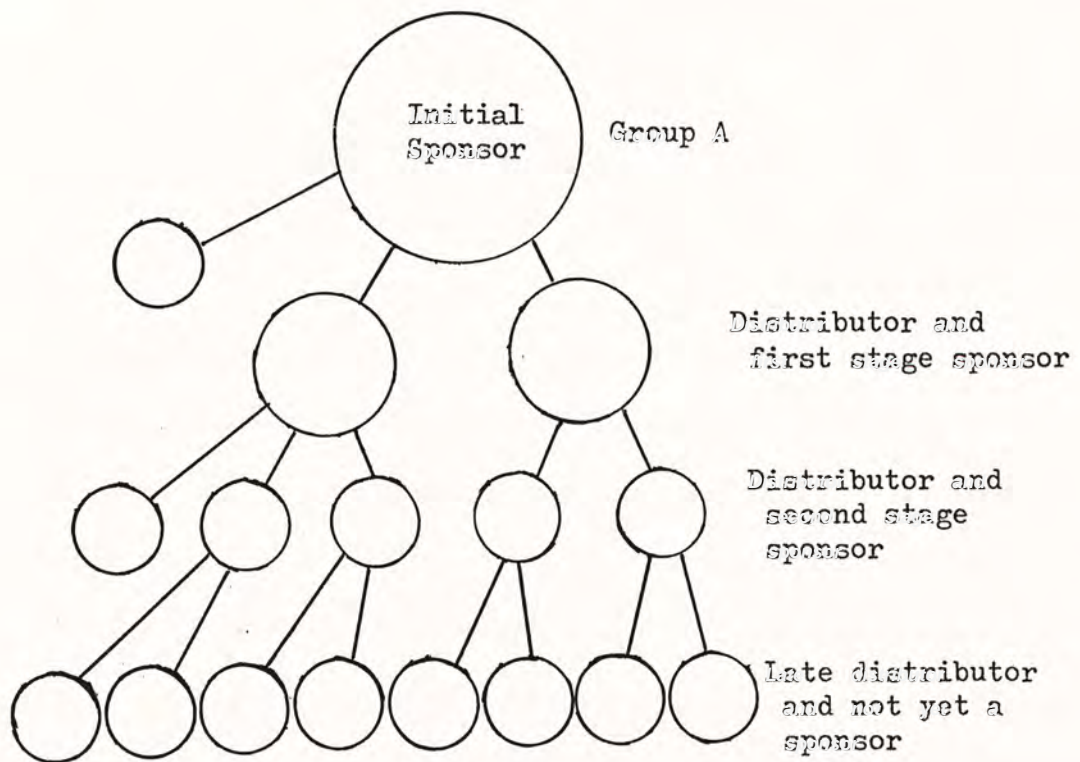
service of the distributor. The customer has no other way to repurchase the products. Distributors should supply products to their customers in advance. Customers seldom telephone the distributor to repurchase after they finished using the product. It is too inconvenient and troublesome for customers to do that. Therefore, it is advisable for Amway to reinforce the concept and importance of personal service whenever there is a rally meeting.

Although all distributors in Hong Kong are employed on a part-time basis, they still perform the entire job of a salesperson. Therefore, a training course in salesmanship should be held by the company for distributors to participate in. A reason for not serving their customers on a regular basis may be due to the lack of training in the concept of personal service. This may be why the respondents do not serve their customers regularly. According to the author, personal selling should be based on personal service which can create needs of the potential customers, enhance the personal demonstration before the eyes of the customers and further can make closer the friendship between the distributor and the customer, who is supposed to be the distributor's friend. Lacking regular personal service would mean the default of a salesman. Hence, the concept of personal service should be advised to be reinforced in the distributors' mind frequently, such as in the monthly rally meeting.

6.3 Feedback Information

As seen in Chapter Two, no control system on the distributors' performance was set up in Amway. Only the incentive scheme was

designed to uprate the distributors' spirit to sell. However, no one knows to what degree they have performed the role of a distributor as well as a sponsor. Consequently, this leads to a passive forecast of the sales volume, i.e. the company cannot forecast the advance sales volume by any means except by the past sales history. However, since this company is relatively new to Hong Kong, there are not enough sales data to which we can refer. The sales forecast is thus meaningless. It is suggested that groups of distributors should be formed and managed by key sponsors. Key sponsors would be these initial sponsors who joined Amway the earliest. Every distributor sponsored by one of these several initial sponsors will be assigned to that initial sponsor's group, say, group A. Then the late distributor sponsored by anyone of the sponsors in group A will also be classified into group A. This group may look like an individual organisation chaired by the initial sponsor. This is depicted below:



INITIAL SPONSOR'S GROUP

The objective of forming this type of group is to control the performance of the sponsors and distributors as well as to get information about the forecast of sales, new customers and new distributors from all sponsors and distributors within the same group. The initial sponsor is usually the best to be assigned as the leader of his group because he is traditionally in the Amway selling system expected to be responsible for recruiting distributors, motivating them and training them. The leader is assigned the duty of forecasting his group's next month sales volume, increasing the number of new distributors and customers and of commenting on the general performance of his group members. For instance, how long is the period when the distributor visits their own customers? What is the sales volume next month? This can give the company a rough

estimate for forecasting the future sales. Group competition for an additional incentive which is supposed to be given to the group reaching a higher monthly sales volume should occasionally be held. This is a type of sales promotion. At the time of the monthly rally meeting, a short period of time should be spared for each group meeting. The minutes of the meeting would be submitted to the Amway. Any discussion, improvement plan and sales forecast should be finalized and determined before or during this group meeting. The line of sponsorship is controlled stepwisely downward; i.e., the initial sponsor will have a thorough contact with the first stage sponsors who in turn have a close relationship with the second stage sponsors and so forth. In this way, the sales forecast would be more accurate than only judging from past sales history.

Since the workload of the initial sponsor is heavy, he should be a full time Amway distributor. The company should also be careful in recruiting these initial sponsors and in setting up criteria for employing them, because the role of the initial sponsor is important in the entire personal selling system. He should be well acquainted with this selling system, personable and responsible.

A direct line of sponsorship associated with the initial sponsor would be best illustrated on the notice board of the Amway office. This would be effective in motivating other groups to keep up with the leading group.

By group management, the communication problem voiced by some of the respondents is also solved, since each group would at least meet once a month. Finally, the distributors would also be reminded

of visiting their customers regularly on phone or in person so as to forecast how much they will buy from Amway.

All sponsors in this suggested situation would share the duty of recruiting, communicating with distributors, motivating and training new distributors.

6.4 Competitors' Information

There is a need for the company to keep competitive information. At present, the effect of any competitors' activities or movements on Amway's personal selling is not known. Can the personal service survive any big attraction offered by other competitors? Can brand loyalty be deeply embedded into the customers served individually by the distributor? When will the competitor launch his campaign? How will Amway react? This information would be curcial to survival in this keen competitive market.

6.5 Salesperson's Presentation Speech

Some difficulties in presenting this selling system to the prospective distributors as well as to the potential customers are found in the questionnaire. Those with secondary education incom-
pleted showed in this survey that they did not know how to present this selling system in a simple and easily understandable way. It is advisable for the company to write up a presentation speech well suited for this type of selling, which can be taught in the sales training course. Another presentation speech for the future distributors should be made up by Amway and be taught to the sponsors. This can facilitate the presentation problems often encountered in the course of selling and sponsoring.

6.6 The Pricing Strategy

There is no pricing policy set by Hong Kong Amway. The price of the stock is at the wholesaler price pre-determined in the American headquarters. The retail price taken by the distributors is the sum of the wholesaler price and some additional surcharge expected to cover the transfer, godown and operating cost. The Amway office in Hong Kong is directed by the American headquarters. Consequently the retail price is changed from U.S. currency into Hong Kong dollars at a fixed exchange rate. For example, the wholesaler price for a particular product that the Hong Kong Amway accepts is US\$3.00. The transfer cost, the cost of stocking in Hong Kong, the operating expense and the overhead will amount to US\$0.50. Then the retail price will be $US\$3.00 + US\$0.50 = US\$3.50$, which in Hong Kong dollars is $US\$3.50 \times 5 = HK\17.50 . The exchange rate is usually and roughly taken at five Hong Kong dollars for one U.S. dollar. After adding the surcharge and turning into Hong Kong dollars, an additional 30 per cent is added to the retail price. This final price becomes the consumer price. In this example, the consumer price would be $HK\$17.50 + \$17.50 \times 30\% = \$17.50 + \$5.25 = HK\$22.75$. This pricing policy safeguards the rate of return to investment calculated in the parent company and enhances the financial control of the headquarters. It centralizes the financial, controlling, production, marketing and other aspects of the business. Seldom are surveys on the micro-segment of the world market seriously undertaken. For example, Hong Kong is one of the micro-segment of the world market catered by Amway Corporation. Its expenses, management, finance and marketing are not decentralized from the parent

company. Therefore, the only way is to directly transfer the price from U.S. dollars to Hong Kong dollars. But whether the resulting price is acceptable to the consumers in Hong Kong in this case would be a question. Many things are different between America and Hong Kong. The living standard, competition conditions, consumer attitudes toward the price level, product's appealing to the consumer and others are easily understood to be different in these two geographically far separated regions. How can the same price transferred at a fairly fixed exchange rate be applied under two different competitive markets? This was evidenced from the analysis of the data collected in this survey. The majority of the respondents found it quite difficult to introduce such a high-priced product¹ to the final users. Even the respondents with a monthly income over HK\$5,000 think the price is non-acceptable to them. Consequently, the high price level becomes the primary obstacle to this personal selling system, as analysed in the previous chapter. In addition, many respondents are discouraged to sell because of this high price level of the product. The price level needs to be revised.

6.7 The Sponsoring

In this study, the non-married group of age twenty to thirty with occupation of professional was the most productive in terms of the monthly sales volume achieved as well as in terms of sales volume per new customer. In the future, sponsors are advised to sponsor the young professionals. Other productive groups such as

¹ Specific example is cited in Appendix II.

white collar workers and of income level ranging from HK\$1,000 to HK\$3,000 or over HK\$5,000 should also be addressed to with this personal selling concept by the sponsor. If the sales of the distributor who has been sponsored continue to increase, it will also be of benefit to the sponsor. The more sales the sponsor can attain, the higher should the incentive level be frequently stressed. This would always motivate the distributor. In reality, as analysed in Chapter Two, if the distributor only performs either sponsoring or selling, the incentive scheme will mean a great loss to the distributor. Therefore, both aspects of sponsoring and personal selling should be encouraged to achieve a higher level of incentive. This point should be emphasized frequently in the Amway rally and in the sponsor's group meeting.

6.8 The Suggested Further Study

The results drawn from this survey are based on the data given by those who are familiar with and have actually practised this personal selling system. However, the suggested improvements would depend on the target group of customers to whom the company wants to cater. Here are two simple examples to show why a target group of customers is needed to be identified. A poor family with a total family monthly income of HK\$1,000 to support the living of five family members wants to allocate HK\$50 on the personal care and household care products. In this case, the family would surely buy a box of detergent powder at a cheaper price. They cannot afford the high quality and high priced detergent powder of Amway. Hence, the family at high income level would be the Amway's target customer. In

addition, if both husband and wife are busily working outside, this family would more appreciate the direct personal service of Amway. Therefore, what your target group of customers is must be firstly identified. Then, how the advertising campaign is designed, how the price of the product will be determined, the content of the salesman's presentation speech and how the most effective distributor group is found are surely to be determined from the information received from the ultimate group of customers. Hence, a further study on the buying behavior of final users should be undertaken in the future. If the final group of customers and their consuming patterns are determined, the improvement of sales volume is foreseeable.

Although it is the Amway headquarter's policy to carry on a program which is supposed to be fair to all persons, it is still advisable to cater to a segment of market where brand loyalty is easily established. In addition, personal service only cannot create a positive company image in every consumer's mind. There are other factors influencing the consumers' buying such as finances, market knowledge, health, prestige and achievement, esthetic factors, family wishes and time pressure.¹ Therefore, a special segment of the market should be better catered to by Amway. This target group needs to be found out, for which marketing strategies are then developed.

¹ Chu, Tai-wo. 'Supermarket Development in Hong Kong'. (MBA Master Thesis), The Chinese University of Hong Kong Press, May, 1974.

6.9 Concluding Remark

The market for personal care and home care products in Hong Kong is great. As analysed in Chapter Five, each Amway customer monthly spends about HK\$26 on the Amway products. Each customer is assumed to represent a unit of family. In Hong Kong, there are about one million units of family¹ this year. If these figures are valid, the total market for personal care and home care products would be HK\$26 million per month this year, in terms of monetary value.

There are favorable factors described in Chapter Three, which help develop the personal selling system in Hong Kong. Because of lacking unemployment fund and pension programme, Hong Kong citizens usually want to seek a part-time job to earn additional income in the hope that they can secure their future living. With this huge market and potential human resources, personal selling will flourish in Hong Kong in the near future. But the direct selling company should notice the following points.

Target group of customers should clearly be identified on which the salesperson can concentrate. This can increase the effectiveness of salesperson's performance.

Personal service should be emphasized in the personal selling system. Salespersons are advised to remind their customers to stock regularly. Demonstration of the product quality and helping customers solve problems in product use are also important.

¹ Hong Kong Population Projections, 1971-1991 (Census and Statistics Department, Hong Kong).

A perfect sales presentation prepared by the direct selling company will reduce the difficulty of individual salesperson presentation, and will increase the efficiency and effectiveness of salesperson's performance.

The company should always hold a salesmanship training course so as to motivate and train the salesperson to be professional.

Rally meeting is advised to be held once every month so that salespersons can have a chance to communicate one another and feedback their advice to the parent company. Each rally should have a clear objective. For instance, the purpose of the rally this month is to push salespersons to promote sales of a particular product. Next month, the rally will carry a mission to recruit more potential new salespersons.

The company had better recruit a product supervisor who should have a thorough understanding of the nature and characteristics of each item of products. He should also know in what way the advantage of using each item can fully be demonstrated. He should collect the prevailing marketing information and recommend when the best time to introduce that kind of product will be.

Advertising is another aspect the direct company should do. Mass media advertising is much more efficient in building up the company's image than is the month-to-month advertising. At least, the company should be responsible for holding frequently promotional campaigns and publicity activities.

Salespersons are advised to serve customers close to their residence such as neighbours, and to sponsor other salespersons living a great distance from their house. This not only can expand

their own sales network, but also can more or less clearcut their niche. By doing so, problems of personal delivery are also solved.

Sponsoring and selling are equally important in the personal selling system.

A highly educated man is not necessary a successful salesperson. The criteria to be a successful salesperson are ambition and self-confidence.

In order to control and evaluate the sales force, division of the salesperson into groups is advised. The group leader is the initial sponsor in that particular group. He will be required to report to the Amway company of his group's performance and progress.

The most productive group of sales distributors, in terms of sales volume per month, is the group of professionals with an income level of up to HK\$3,000 per month. The target group of customers of Amway is more or less anticipated to be the professionals with monthly income of up to HK\$3,000.

6.10 Summary of Chapter Six

The Hong Kong direct selling market is expected to grow in the near future. There are many factors favoring the fast development of the door-to-door selling system such as the population factor, consuming power and resettlement housing policy.

In order to survive the competitive market, advertisements and sales promotion should be emphasized. Since door-to-door selling relies on the personal selling network, Amway should stress to distributors the benefits in balancing the sponsoring function and selling function.

In addition, the personal service concept needs to be continuously emphasized with the distributors.

In order to forecast the future sales volume, a division of distributors into groups is advised. Initial sponsors joining Amway should be appointed leader of each group. Sales volume will be estimated monthly from each group and sent back to the Amway company.

It is recommended that a sales presentation should be developed by Amway. Every distributor can then follow this unique, simple and easily understandable sales speech.

Since the most productive group is the non-married professionals with an income level of up to HK\$3,000, sponsors are advised to recruit this type of person. This will not only benefit the sponsor, but will also benefit the company.

The total Hong Kong market for personal care and home care products is estimated HK\$35 million per month this year.

In order to survive in this competitive market, the direct selling company should carve out a segment of the market. Then marketing strategies and advertising objective will be set up to cater to that particular group of customers.

APPENDIX I

COMPARISON OF PRICES OF DETERGENT POWDERS
AVAILABLE IN HONG KONG

| Brand Name | Net Weight (lb) | Price (HK\$) | Origin |
|--------------------------|-----------------|--------------|---------------|
| Lux | 1.0 | 4.95 | England |
| Tide | 1.0 | 4.30 | United States |
| New Formula Wonderful | 1 1/4 | 3.00 | Japan |
| Skip | 1 1/4 | 5.90 | Holland |
| Axe | 1 1/4 | 2.90 | Singapore |
| Breeze | 1 1/4 | 2.90 | Malaysia |
| New Lemon Fab | 1 1/4 | 3.10 | Malaysia |
| White Cloud | 1.5 | 3.10 | Japan |
| Coins | 2.0 | 3.30 | China |
| Dixan | 2.0 | 7.70 | West German |
| Persil | 2.0 | 5.90 | England |
| Panda | 2.0 | 3.10 | China |
| Amway | 2.0 | 17.00 | United States |
| Dixan | 6.0 | 21.50 | West German |
| Skip | 6.0 | 15.50 | Holland |
| Amway | 6.0 | 35.00 | United States |

APPENDIX II

問卷：閣下對此問卷的所有答案，皆予絕對保密。

| | | 問卷編號： | 不用填 |
|----|----------------------------------|-------------------|-------|
| | | 卡號號碼： | |
| 1. | 閣下加入安利公司前，那一點是對你最吸引的？加一點是次一等吸引的？ | 第一 _____ 第二 _____ | 5-6 |
| | 一 安利有一個賺賺錢的機會。 | | 1 |
| | 二 你所賣的貨物，都有百分之三十的折扣（新酬） | | 2 |
| | 三 沒有規限貨物的買賣額及存貨額（自由買賣） | | 3 |
| | 四 一個現實的機會，能真正建立自己的事業。 | | 4 |
| | 五 百分之百的品質保證。 | | 5 |
| | 六 其它原因，請註明：_____ | | 6 |
| 2. | 加入安利之後，你又發覺那一點最具吸引及次一等吸引的？ | 第一 _____ 第二 _____ | 7-8 |
| 3. | 安利傳銷系統有甚麼瑕疵？ | | 9-10 |
| | 一 送貨到顧客府上，甚感麻煩。 | | 1 |
| | 二 要負上普通零售商的責任：如存貨、取帳、點數。 | | 2 |
| | 三 公司沒有廣告，只賴傳銷商的口頭宣傳。 | | 3 |
| | 四 百分之三十的折扣太少。 | | 4 |
| | 五 聯絡上的問題：如你為人與傳銷商或傳銷商與顧客間的聯絡。 | | 5 |
| | 六 其它瑕疵，請註明 _____ | | 6 |
| | 七 絕對沒有瑕疵。 | | 7 |
| 4. | 上述的瑕疵會令你不主動地去銷售安利產品及介紹新的傳銷商嗎？ | 是 _____ 否 _____ | 11 |
| 5. | 你現在的顧客是否你的鄰居或在你附近居住的？ | 是 _____ 否 _____ | 12 |
| 6. | 在推銷安利產品時，你最多遇到的是甚麼困難？第二多的又是甚麼？ | 第一 _____ 第二 _____ | 13-14 |
| | 一 產品價錢對顧客不大合適 | | 1 |
| | 二 顧客沒有信心用一種新牌子的產品 | | 2 |
| | 三 顧客通常已對 牌子有忠實感（祇用該牌子） | | 3 |
| | 四 顧客未機會到安利產品的品質及優點 | | 4 |
| | 五 顧客不慣於用流銷的產品——如安利的一樣 | | 5 |
| | 六 其它困難 請註明 _____ | | 6 |

7. 相隔多少時間，你會提醒你的顧客再買安利的產品？_____ 15—16
8. 又相隔多少時間，你會向你的顧客介紹安利另一種產品？_____ 17—18
9. 你現在有多少個顧客？_____ 19—20
10. 上一個月，你的銷售額是多少？_____ 21—22
11. 你有預先計劃你的銷售額嗎？有_____無_____（請至14題） 23—24
12. 怎樣估計你的銷售額？_____
-
- 13a. 通常你有打算增加你現在顧客的數目嗎？_____ 25
- 有_____無_____（至14題） 26—27
- 13b. 你每月預算增加多少新顧客？_____ 28—29
14. 以你個人估計，下一月你自己的銷售額會是多少？_____ 30—31
15. 你是否一個傳銷系統中的保薦人？_____ 32
- 是_____否_____（至25題） 33—34
16. 當你對新傳銷商介紹安利的傳銷體系時，他們會否感到複雜而難明？_____ 35
- 會_____否_____ 36—37
17. 聽完安利傳銷系統的介紹後，他們當中，有百分之幾會感興趣？_____ 38—39
18. 又有百分之幾會有信心成為一個新的傳銷商？_____ 40—41
19. 你有無一個預定的保薦計劃？有_____無_____（至21題） 42—43
20. 你每月準備保薦多少個新的傳銷商？_____ 44—45
21. 你喜歡保薦那一種人？其次是什麼？_____ 46—47
- 一 小學畢業 _____ 1
- 二 中學畢業 _____ 2
- 三 高中／大學 _____ 3
- 四 專業人士 _____ 4
- 五 其它 請註明：_____ 5
- 第一 _____ 第二 _____ 1—5

22. 在保薦過程中，你最通常遇到甚麼困難？次一等的又是甚麼？ 45-46
- 一、你對你薦的人，對這個傳銷系統沒有信心。 1
 - 二、他們不喜歡做銷售員。 2
 - 三、你發覺很難用簡單的句語介紹這個複雜的傳銷系統。 3
 - 四、沒有困難 4
 - 五、其它 請註明_____ 5
- 第一_____ 第二_____
- 23(a) 這個傳銷系統將來有沒有終止的呢？ 50
(是否無限地發展下去？)
- 是_____ (至24題) 否_____ 1-2
- 23(b) 如若，則是甚麼限制了它的發展？ _____
24. 通常你所保薦的人，最好具備什麼條件？ 51-52
- 一、雄心勃勃 1
 - 二、信心 2
 - 三、人格 3
 - 四、成熟程度 4
 - 五、自覺性 5
 - 六、教育程度 6
 - 七、其它 請註明_____ 7
- 第一_____ 第二_____
25. 閣下屬於那一組年齡？ 53
- 一、二十以下 1
 - 二、二十一至三十 2
 - 三、三十一至四十 3
 - 四、四十一至五十 4
 - 五、五十以上 5
26. 閣下每月收入又是多少？ 54
- 一、1,000 以下 1
 - 二、1,000—2,000 2
 - 三、2,000—3,000 3
 - 四、3,000—4,000 4
 - 五、4,000—5,000 5
 - 六、5,000 以上 6

| | | | |
|----|------------------------|-----|----|
| 27 | 閣下的教育程度 | | 5% |
| 一 | 未受過正式教育 | 1 | |
| 二 | 小學畢業 | 2 | |
| 三 | 中學未畢業 | 3 | |
| 四 | 中學畢業 | 4 | |
| 五 | 高中\大學 | 5 | |
| 28 | 閣下的職位 | | 5% |
| 一 | 商業行政員 | 1 | |
| 二 | 專業人士 | 2 | |
| 三 | 白領 | 3 | |
| 四 | 藍領 | 4 | |
| 五 | 學生\失業\退休 | 5 | |
| 六 | 家庭主婦 | 6 | |
| 七 | 其它 | 7 | |
| 29 | 閣下結婚未? 已婚_____ 未婚_____ | 1-2 | 57 |
| 30 | 性別: 男_____ 女_____ | 1-2 | 58 |
| 31 | 國籍: 中國_____ 非中國_____ | 1-2 | 59 |

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STUDENT RESEARCH PROJECTS

學 生 專 題 研 究 用 箋

TELEPHONE: 23612211
 EXT. 400

25th November, 1975

Dear Fellow Distributor,

I am pleased to have a chance through Amway (HK) Limited to ask a favor of you.

I am a graduate student at the Lingnan Institute of Business Administration at the Chinese University of Hong Kong and am currently involved in a research project concerning the Amway Distribution System. The results of this survey will provide the bases for my master's thesis, which is a major requirement for my master's degree in Business Administration.

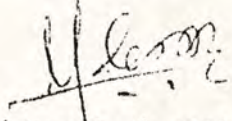
The objective of this survey is to determine if the existing Amway Distribution System is as effective as it could be. Should changes be made? What about the future? Answers to these questions will be as meaningful to you as they will be to me. To you, the good future of Amway means good fortune of you.

Questionnaire enclosed in this letter is specially designed for the purpose of acquiring your attitudes and opinions. All questions in the questionnaire are provided with answers so that you can simply select the one you feel appropriate. The information you give will be kept highly confidential and be utilized only for research purposes.

I do appreciate your cooperation in this matter and would appreciate it if you could return the completed questionnaire as soon as possible. A stamped return envelope is enclosed in this letter.

Thanks again for your time and assistance.

Yours sincerely,


 (Yu-choi HO)

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STUDENT RESEARCH PROJECTS
學生專題研究用表

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逕啓者：本人乃香港中文大學嶺南工商管理研究所研究生。現正對安利傳銷系統作一個調查研究：這個傳銷系統是否很有效？有甚麼值得改良的地方？它的將來進展又如何？這等資料都會作為本人碩士論文的根據。

閣下對上述問題的意見當然對本人有很大幫助，但同時亦會對閣下本身有相同意義。因安利的將來是決定於你的合作和意見的提供。為着方便起見，特地用問卷及選擇題型式，以使閣下容易選擇。閣下所供給的資料，只作研究性質，本人保證絕對守密。

填妥的問卷，懇請放在已付費的回郵信封內，盡快寄回。閣下的合作，本人實感非常榮幸。肅此奉懇，祈候示覆。此致

安利公司各傳銷商

何安材 謹啓

十一月廿五日

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直接銷售法在推銷香港消費品上的進展 何汝材

(一個實例的研究)

"Development of Direct Selling in Marketing Consumer

Goods in Hong Kong"

一、序言

本文目的乃研究直接銷售法能否在本港拓展，使消費品可大力地推廣開去。

直接銷售法亦即上門推銷或個人直接售予個人的方法。遠在上古時代，所有貿易方式皆是於某時某日集中於某

地進行二貿易方式乃直接交換貨品或以錢財購買，此乃直接銷售法的起源。後來貿易的範圍日益廣闊，各人所從事
的行業亦逐漸專門化，於是便有專業的銷售員東奔西走，
為推銷某一種貨物而努力。他們多是受僱於製造商或批發
商，而向批發商或零售商推銷此種製成品。這種專業銷售
員的推銷方法，在現代社會中，多用於工業製成品方面，
而在消費品方面，却一直很少人採用，所謂消費品，即最
終消費者所消費或使用的貨品。

約在一百年前，美國雅芳化妝品公司 (Avon Product Inc.)
開始用直接銷售法努力推銷其產品，並將此法改良，使銷

售員有效地進行推銷；結果，銷售額直線上升，超越世界著名的露華濃 (Revlon Product Inc.) 化粧品公司。後來很多美國著名的大公司，如富勒牙刷公司 (Fuller Brush Co.) 海倫化裝用品 (Helene Curtis Inc.) 等也因採用直接銷售法而成名。

在美國，直接銷售法的確能成功地運用於消費品的推銷，但在香港，它是否能如此地有效？有甚麼因素可促進此法的成長？又有甚麼因素足以妨礙它的發展？

直至現在，香港可以說只有一間公司純粹採用直接銷售法來推銷其消費品，這就是美國安利有限公司；但為何香港沒有人採用此種方法？這間公司又以甚麼措施得以在

本港市場上立足？這都是值得我們研究的。

直接銷售法對於消費者而言，其實是十分方便的。消費者可以安坐家中，與家人共同商量，以選購各式各樣的貨品，亦可當場試用，看看是否適合所需。在銷售員方面，亦能盡其職責，示範該產品的效能及使顧客明瞭該產品對彼等的用途。至於公司方面，更可省却固定開支（Fixed Costs），從而獲得較高的利潤。因這些銷售員，多是兼職性質，沒有固定的薪金，他們分散於香港每個角落，各自展開銷售活動，故此，公司可以省却開設支店及固定薪金的費用。

二 傳銷計劃 (Sales Plan)

安利傳銷有限公司的產品包括有化粧品、家庭清潔用品及廚房用具等。所有這些都是日常必需品。它的傳銷計劃是以個人傳銷方式為主，保薦計劃為輔，更以一個有效的獎勵方法為二者的橋樑，使能相輔相成，達到目的。

首先提及的是個人傳銷方式，每個人在加入該公司後，都當作公司的一個小支店，貨物全都直接向公司提取而轉售予顧客，但不能經有貨公司 (Department Store)。傳銷商，甚或零售店出售，賣出每件貨物的盈利率約有百分之三十左右，多賣多賺，但無底薪，公司亦無規定買賣的限額，

與時間性，所以銷售是很自由的。

其次就是保薦計劃。加入該公司後，你可保薦任何人為公司的傳銷員。你也因此而成為公司的保薦人，但你與該新的傳銷員，地位平等，兩者之間不能向公司或互相抽取佣金，作為介紹費。二者賣出的貨物，同樣取自公司及收取同樣的佣金。

最後就是獎勵計劃。公司所有傳銷員，在銷售額超過某一程度後，就有額外的獎勵。舉例來說，在五百元以上，就多取百分之三的佣金，一千八百元以上，就多取百分之六的佣金。各傳銷員的營業額是加在各保薦人的營業額上。

；例如一個保薦人六個傳銷員，各人每月有五百元的銷售額，保薦人的營業額就共有三千五百元，他取了額外的獎勵佣金，就分與他的傳銷員，在比例中，六個傳銷員將分別獲得十五元的額外佣金，至於百分之三十的佣金，乃直接由公司分別給予。

每個保薦人可保薦很多的傳銷員，而傳銷員又可保薦其它人，這個傳銷計劃就藉此而擴大開來。公司方面，為了保持傳銷人的利益，也不會直接售貨與顧客，所有貨物都得經過傳銷員的手裏。

究竟這個計劃可否成功地實施於香港？現在讓我們分

析一下香港現在的環境。

三、香港環境：

站在兼職的立場而言，這樣一個傳銷方式，必有很多人參加，因香港本身是缺乏一個完善的社會福利計劃，對於失業者及老弱傷殘者，都沒有妥善的津貼和安排，公司方面，很多亦無公積金或養老金的計劃，在年老退休後，也就成為無依無靠的人；所以很多人在年青時候，必會設法賺錢，一旦有兼職的機會，他們定不會放過。

人口方面，香港共有四百多萬，放在消費力及生產力上也提供了很大的原動力。加上女性就業人數，正與日俱增，香港的勞動力就更能大大地提高了。

在教育水準上，香港人比前更是邁進了一大步。現在普及教育，已提升至中學水平；所以，顧客對貨物的品質和價錢，也就相應地有所認識和選擇。

但香港的治安，是隨時會令人擔心的，對於陌生人士，未必開門不問，以策安全；在交通上，也會令這個傳銷方式產生困難，因地少人多，到處交通擠迫，傳銷員非費很多時間，不能把貨品直接送到顧客家中。

四、資料及研究方法

全部資料，是取自安利傳銷公司及它的屬下傳銷員及保薦人。目的是研究這個傳銷方式能否有效地施於香港，以及目前該公司傳銷員的工作表現，是否合乎預期的效果。採取的方法是郵寄問卷方式，使傳銷員能詳細地考慮及答覆問卷的問題。所有安利公司的傳銷員都會收到這份問卷。

問卷內容包括該傳銷員加入安利公司的目的及感受，在該公司工作的情形，在保薦方面的計劃，及他的學歷、收入、年齡等等。

結果有百分之廿二的傳銷員回答了這份問卷。所有答
案經用電腦分析，得出下面的結論。

五 分析結果：

1. 大部份傳銷員都在二十至三十歲間，受過中等以
上的教育，收入亦在二千至三千元間。職業是未婚護士及
會計師等。這些人都是想多賺外快而加入安利公司兼職的。

2. 公司要擴大營業額，就必須多舉辦公開性的活動，
使各界人士知道該公司的存在及傳銷的計劃，因公司創

業至今，只有二年時間。公司亦要多辦競爭性的獎勵，使傳銷員有可追尋的目標。

3. 傳銷員要經常訪問他的顧客，因這個傳銷方式是個人銷售為主，所以對顧客需要時常訪問，以令他們滿意。

4. 安利公司貨物的價錢，較市面同類貨品為高，若能降低百分之二十，則必大受歡迎也。

5. 傳銷員當中，很多仍未成為保薦人，因此，這個傳銷計劃也不能大大擴展開來。

6. 本文研究的對象，在於公司的傳銷員，而非公司

的顧客 (Ultimate Consumer) , 如日後有人繼續研究 , 最好着手在顧客方面 , 看看公司的產品 , 究竟適合怎樣的顧客。

(Target Group of Customers)

7. 根據問卷的平均數字 , 每個家庭每月化費三十五港元在家庭清潔用品上 , 香港有一百萬個家庭 , 所以香港的家庭清潔用品市場每月就有三千五百萬元的生意。



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